

Vince Cable

Conference Leader's Speeches

Vince's first Leader's Speech in Bournemouth, Autumn 2017



It is with a real sense of pride that I stand before you as leader of the Liberal Democrats. First of all, I'd like to put on record my thanks to my predecessor, Tim Farron. He hands over a Party, which is larger, stronger and more diverse than the one he inherited. He stood up for refugees whose plight the government had shamefully ignored. He established our very clear identity as the only real, undiluted pro-European party. We are all hugely indebted to him. It's good, today, to be amongst friends. So please forgive me if I start by addressing people who are not yet our friends, but whom we might persuade.

People who say they don't know what we stand for, or that we are irrelevant. Anyone who doubts the relevance of the Liberal Democrats should reflect on the three great disasters perpetrated by the two main parties in recent years: the war in Iraq; the banking crisis; now Brexit.

You may remember that the Labour Government, egged on by the Conservative opposition, plunged this country into a disastrous, illegal war. It helped to fuel the jihadist movements which terrorise the Middle East, and our own country, and our allies, to this day. And it was only the Liberal Democrats, under Charles Kennedy, who showed sound judgement and political courage when it was needed. I am immensely proud to have served my parliamentary apprenticeship in that company. Then, the same government lost control of the economy. It allowed reckless and greedy bankers to run amok. Yet again, the Conservatives egged Labour on, demanding even less restraint.

The Liberal Democrats warned that it would end badly. And it did. An economy built on banking and property speculation was left dangerously exposed to the global financial crisis. And the baleful consequences are still with us: our economy continues to be dependent on the life support system of ultra-cheap money, which is now inflating a new credit bubble; and also a real sense of resentment...that wealth inequalities have widened and only the super-rich have flourished in this post-crisis world.

In 2010, after all that, we could then have stood aside, washing our hands of responsibility....

the party that said “we told you so”. But we didn’t. We went into government, in the national interest, to repair the damage. It was the right thing to do and Nick Clegg led us courageously in doing it.

And while thinking about Nick, I know you will all want to join me in sending him and Miriam our collective best wishes as Antonio, and the whole family, emerge from what has been a very tough and anxious time.

Our thoughts are with them. Nick has been much vilified by our opponents...but we are proud of him and his record. I am certain that just as Parliament now misses his voice, history will vindicate his judgement. You need only look at our record to know it. In Government we did a lot of good and we stopped a lot of bad. Don’t let the Tories tell you that they lifted millions of low-earners out of income tax. We did. Don’t let the Tories tell you they launched an apprenticeship revolution or the Industrial Strategy. We did. Don’t let the Tories tell you that they brought in the pupil premium and free school meals....We did that. The Liberal Democrats did that. But we have paid a very high political price. Trust was lost.

For many voters, we still have to scrub ourselves hard to get rid of the smell of clearing up other people’s mess. And now, another disaster looms. Brexit. The product of a fraudulent and frivolous campaign led by two groups of silly public school boys...reliving their dormitory pillow fights.

And thanks to Boris Johnson, they have degenerated into a full scale school riot with the Headteacher hiding, barricaded in her office.

In the real world, we’ve yet to experience the full impact of leaving Europe. But we’ve had a taste of what is to come, in the fall in the value of the pound. Foreign exchange dealers are not point scoring politicians. They make cold, hard, unsentimental judgements.....Quite simply, Brexit Britain will be poorer and weaker than if we had decided to stay in Europe. Brexit was described by the Brexit Secretary himself as an operation of such technical complexity that it makes the moon landing look simple.

I have to say it is a pity that the Brexit landing is being managed by people who would struggle to get their heads around a toddlers’ lego set.

These are people who live in a world of infantile fairy tales....I’m sure you know the one about the Giant Tweeter...who lives in a White House far away and who flies across the ocean to rescue us from the wicked Gnomes of Europe.

But to be serious, for a moment, it is both extraordinary and unforgiveable that the Government is entrusting the future of this country ...its trade policy, its security, its standing in the world – to a special relationship with a President who is volatile, dangerous and an apologist for religious and racial hatred. It is an outrage that this man – who now presumes to attack our highly effective police and security services – has been invited here on a state visit...As Jo Swinson so rightly said on Sunday: no red carpet for President Trump – The visit should be cancelled.

Let me say a few words about Labour. Many people got behind Jeremy Corbyn in June, genuinely expecting a better politics and a better future. They are already being betrayed. Today’s Labour Party isn’t into problem solving; let alone governing. Jeremy Corbyn’s acolytes are focused on how to maximise the contradictions of capitalism.

You don’t qualify for the Labour Shadow Cabinet these days unless you have studied the Venezuelan guide on how to bankrupt a rich economy. It’s no wonder they backed Brexit. It’s no wonder they lined up behind Theresa May, maximising the chances of chaos and disruption. Then a few weeks ago the moderates briefly penetrated the Corbyn bunker. They

persuaded him that collaborating quite so closely with the class enemy didn't look too good.

So, they've got a new policy: which is to stay in the Single Market and Customs Union..... possibly; or to leave.....maybe. Or maybe to stay in for a bit, and then leave. I am being kind here: I am trying to understand what they are trying to say. I think the current line is...we should transition to the transition gradually while we prepare for a post transition world. This is what they mean by the smack of firm leadership. I believe Jeremy Corbyn would do a lot better to get off the fence and refurbish his revolutionary credentials. So Jeremy – join us in the Anti Brexit People's Liberation Front!

What the people want...What the country now desperately needs is some political adults. That's you. That's us. Fortunately, we are not alone. There are sensible grown-ups in the Conservative Party and the Labour Party and the Greens. And beyond them are millions of people who are deeply worried about what is happening. We have got to put aside tribal differences and work alongside like-minded people...to keep the Single Market and Customs Union, so essential for trade and jobs; Europe's high environmental and social standards; the shared research; help for our poorer regions; cooperation over policing and terrorism. Europe, of course, needs reform but you don't achieve reform by walking away.

Our position is clear: The Liberal Democrats are the party of Remain. The government meanwhile is stuck in divorce negotiations for which it is hopelessly ill-equipped, ill-prepared, and internally divided. So I have some practical advice for Theresa May. Take the issue of European Union nationals in the UK and British nationals in Europe out of these negotiations. Because using them as bargaining chips is not only morally wrong but utterly counter-productive. Put the lives of 4 million people first, not the posturing internal politics of the Conservative Party. No ifs, no buts. The government should declare a Right to Stay – now. At the end of these tortuous divorce negotiations, the British public must be given a vote on the outcome.

Let me be clear about this. This is not a call for a re-run. This is not a call for a second referendum on Brexit. This is a call for a first referendum on the facts. When we know what Brexit means, the people should get the choice: The Government deal or an 'exit from Brexit'. We know, of course, that our call will be resented by the Brexit fundamentalists. We will be denounced as traitors and saboteurs. I'm half prepared for a spell in a cell with Supreme Court judges, Gina Miller, Ken Clarke, and the governors of the BBC. But if the definition of sabotage is fighting to protect British jobs, public services, the environment and civil liberties, then I am a proud saboteur. Brexiteers will say: "we have already voted to leave. How dare you people flout democracy."

It is actually quite difficult to follow this argument... It seems to go...that consulting the public – having a vote – is undemocratic.

Why? What are they afraid of? Are they afraid that the claims of £350m a week for the NHS won't wash any more? That claim has rightly been dismissed in the last few days by the independent UK Statistics Authority.

No wonder Boris and the Brexiteers are so frightened of the people...and the facts. They now believe in the slogan of dictators everywhere: 'one person, one vote, once!'. I am a grandparent. I am concerned about the country my grandchildren will inherit. I am already getting a colourful correspondence from people of my own generation claiming that I have betrayed them. That I have given up too easily on reinventing the British Empire and on the dream of Britain without foreigners.

I am still struggling, actually, to think of an answer to the woman who challenged me, in all seriousness, to explain how her Wiltshire village would cope with the arrival of 60 million Turks. Now I recognise that the true believers in Brexit are honest enough to admit that it will make us poorer...There is another word for that: masochism. It isn't illegal. I am told some people pay good money to indulge in it.

But unlike masochists, the Brexit ideologues usually envisage someone else bearing the pain. And that pain will mainly be felt by young people who overwhelmingly voted to Remain. But this argument cannot go on forever. Once the issue is resolved by a vote on the facts, we must then try to unite a very divided country around the outcome. So yes, I want our party to lead the fight against Brexit. But we should not be consumed by Brexit to the exclusion of everything else. We are not a single-issue party...we're not UKIP in reverse. I see our future as a party of government. Our party is not just a Coalition partner of the past, we are the government of the future. And my role, as your leader, is to be a credible potential Prime Minister.

I know some of you might say, looking at the alternatives, that the bar isn't very high. Theresa May is giving us a compelling display of weak and wobbly government: divided, dysfunctional, and dependent on the Democratic Unionist Party. We all know that her colleagues want to sack her... bring in somebody more attuned to the challenges of modernity....I guess that is why a current leading candidate for the succession is, according to bookmakers, Jacob Rees-Mogg... On a dream ticket with his nanny. Then we have the Labour Party. I do have one great advantage over Jeremy Corbyn. I have a great team: our Shadow Cabinet has 10 former ministers, 3 of whom served in Cabinet. And I'm proud that one of them is now our superb Deputy Leader, Jo Swinson.

My team has been bloodied in the difficult business of government. By contrast, in a parliamentary party of 262 MPs, Jeremy Corbyn can find only two people who have been anywhere near Cabinet, to serve in his alternative administration. All the other plausible candidates for office have walked out or been thrown out. And the question now presents itself: what would they actually do in power? What would a Corbyn government look like? Their basic appeal is to offer something for nothing. All paid for by someone else. For them budgeting is just a bourgeois hobby.

I first encountered this politics of free things as a young Treasury official in Kenya. President Kenyatta – the father – faced defeat in an election against an opposition offering lots of freebies: free food, free land, free cows, free cars. He turned to my department for help. We came up with a winning slogan – Hapana Chakula Kabisa. Roughly translated it meant: there is no such thing as a free lunch. (Unless of course it is a Lib Dem free school lunch!)

But money and priorities define the crucial difference between us and Labour. We understand that to govern is to choose. And they don't. That's why only we are honest with people about the service which everyone in this country cares about, and which Labour always claims to champion. The NHS. If we want a decent service, we've all got to pay for it. For starters, Liberal Democrats will continue to argue for another penny in the pound on income tax to pay for it.

That means more than £6bn extra each year for the NHS and social care, and the funding we need for our priority...proper care for those suffering mental illness. If you want a real champion for Britain's NHS, the Liberal Democrats are the party for you. The attraction of the Labour campaign, however, was that it offered hope. Hope counters despair. Hope can inspire. Hope can achieve change.

But what hope cannot do is make $2+2=7$. What the country needs is hope AND realism. In a Britain increasingly dominated by extremists and ideologues, I want us to fill the huge gap in the centre of British politics. Liberal Democrats have always grappled with the big challenges facing our country and our world. I am determined that, to meet them, our party will once again become a workshop for new ideas.

Hope and realism starts with the economy. Because without a successful economy we won't have the resources to fix an overstretched NHS, underfunded schools, understaffed police forces, and perilously overcrowded prisons.

We currently have a low productivity, low wage economy lagging well behind Germany. And while France is modernising, Britain is lurching down a nostalgic cul-de-sac of Brexit. And Britain's strengths – and there are real, considerable strengths...its openness to trade, people, ideas, its world class universities and inventiveness. These things are being put at risk.

What the country needs...more investment; more innovation; more training and retraining; more patient, long term capital; the renaissance of manufacturing and the nurturing of creative industries; the greening of the economy. To achieve these things requires overcoming the petty tribalism and short termism which are the bane of British politics. We made some progress under the Coalition when we launched and pursued the Industrial Strategy, working with both sides of industry – management and workers.

I also drew on the legacy of political opponents, Labour and Conservatives. Because the test should not be 'who said it'. It should be 'what works best?'; sometimes the state; sometimes private enterprise; usually a practical combination of the two. Long term thinking means, above all, having an understanding of sustainability and climate change. It is very striking that the most fervent apostles of Brexit are climate change deniers. Striking, but not surprising because climate change doesn't respect national frontiers and national sovereignty.

I think it's tragic that Ed Davey's sterling work in the Coalition is now being trashed by Conservative ministers, who revel in anti-scientific ignorance. It is absolutely galling to see the sell-off of the Green Investment Bank to a private sector asset-stripper. To see the Green Deal ditched, the Swansea lagoon delayed, carbon capture and storage abandoned...To see the Conservatives doing a massive u-turn on Heathrow expansion...

The Conservatives describe protecting the environment as 'green crap'. By contrast, Liberal Democrats will always fight for the green agenda. More than anything else, investing in people is the key to a successful modern economy.

Britain is fortunate to have excellent universities, many of them world class. But only a minority, and generally a better off minority, go to university. As a country we have systematically undervalued and disrespected the 60% of young people who do not go to university, and the 80% of adults who never went.

That is why I have been working with the National Union of Students on a programme to help all young people. Many will go into further, and vocational, education but Britain's record in technical education and training so far is woeful, which is why we now have a chronic skills shortage.

That is why in government, the Liberal Democrats launched an apprenticeship revolution. We made a lot of progress but there is so much more to do to ensure that high quality appren-

ticeships and training are an option available to every young person.

I hope you will indulge me if I explain a bit of family history which shows why I care passionately about this subject. My own parents left school at 15 to work in factories in York. My father went to night school and qualified to teach building trades at a further education college. He and I fell out over his right-wing politics but I never lost my admiration for his life's work with skilled workers, technicians, craftsmen; people that we now desperately lack.

And my mother's experience makes the point in a different way. She discovered night school after a prolonged period of mental illness when I was a child. She discovered education as an adult; and it helped her to recover.

I was able to apply this experience in government. Alongside Norman Lamb, we were able to secure some funding to reintroduce classes in adult colleges for those suffering mental illness. And it has been a great success. But the bigger point is the value for everyone, of continued adult learning. Millions of workers in middle age now face their office and factory jobs disappearing with the advance of automation and artificial intelligence. We've got to be the party with the answers for those people.

One idea I want to develop with you - with the party - is finding a way to support all young people in future with an endowment or learning account, which they can use at any stage in life...helping to finance further or higher education, either at the post-18 stage or later in life. It is a fundamentally liberal idea, handing control to the individual, and I want to explore how it can be sustainably financed through fair taxation of wealth.

Under my leadership, our party will be the champions of lifelong learning, giving everyone a chance of self-improvement and employment at every stage in life.

We can't effectively modernise our economy until we radically reform finance. We've got global banks that have little interest whatever in promoting British business and local economies. We've got obsessively short term capital markets that have the collective attention span of a goldfish. We've got banks that will only lend when secured against property...to people who want to buy houses.....but not businesses who want to build them...to real estate speculators, but not to exporters and innovators.

Liberal Democrats want to see financiers be the servants of Britain's real economy, rather than its masters.

We did a lot in Coalition to improve things: establishing the British Business Bank, the Green Investment Bank and the business Growth Fund for risk capital;...splitting the casinos from conventional banking; promoting a culture of long termism; opening up the market to challenger banks.

But that is just the beginning of what is needed to lift Britain from what at present is a dangerous over dependence on property markets and banks in the SE corner of England. Public investment complements private investment. This country needs a massive injection of public investment....in the railway network - across the north of England and the Midlands to Wales and the South West. ...and in broadband....and in housing.

Every pound spent building modern Britain will be returned many times over. Never in British economic history has it been cheaper for a bold, active government to borrow for productive investment, alongside the private sector...so why is this government so feeble and so passive? I want our party to be pro-business and pro-enterprise. British business is in desperate need of a champion and we will be that champion. Not for the sake of it but because Britain succeeds when they succeed. Growing numbers have given up on the Conservative Party,

because they know it has abandoned British business.

Their home is now with us. Progressive British firms know, too, that being pro-business doesn't mean being anti-worker. I spent five years in Government fighting off Tory plans to introduce 'fire at will' and to abolish the right to strike. We are pro-business and we are also pro-worker. And because we believe in competitive markets and the rights of consumers, it is time to tackle the abuse of corporate power.

Take the communications and technology companies...They have access to vast amounts of personal data and information to use and abuse. It's not a coincidence that the only body strong enough to stand up to Microsoft, Google, Amazon and Facebook is the European Commission.

Does anybody seriously believe that a post-Brexit British government will do anything other than roll over when the big boys in come looking for favours or dodging taxes at will? As some of you know, I have had occasional disagreements with Mr Rupert Murdoch. But not always. He is, for example, reported to have said "When I am in Brussels, they tell me what to do. When I am in Downing St, I tell them what to do."

He got it in one. As he knows all too well, wealth and power feed off each other. So do powerlessness and poverty. If there is any single lesson from the Grenfell disaster, it is that people in poverty aren't listened to. Nowhere is inequality more marked than in the housing market. Property wealth for the fortunate coexists with growing insecurity and homelessness for many others. Home ownership, which spread wealth for generations, is no longer a realistic prospect for younger people with moderate means.

To put this right, we must end the stranglehold of oligarchs and speculators in our housing market. I want to see fierce tax penalties on the acquisition of property for investment purposes, by overseas residents. And I want to see rural communities protected from the blight of absentee second home ownership, which devastates local economies and pushes young people away from the places where they grew up. Homes are to live in; they're not pieces on a Monopoly board. But whatever we do with existing homes will not be enough. A doubling of annual housing supply to buy and rent is needed.

For years politicians have waffled about house building while tinkering at the edges of the market. I want to recapture the pioneering spirit that in the mid-20th century brought about developments like Milton Keynes and the new towns...I want to see a new generation of garden cities and garden villages spring up in places where demand presently outstrips supply. But we know that private developers alone will not make this happen.

Just as social reformers in the 1950s and 60s saw government roll up its sleeves and get involved with building, government today has a responsibility to be bold...and to build more of the homes we need for the 21st century. It is utterly absurd that councils are allowed to borrow to speculate in commercial property...but are stopped from borrowing to build affordable council houses.

This triumph of ideological dogma over common sense must stop. Government must take the lead...and get building. The housing crisis is at the heart of a growing and deeply corrosive inequality...between generations. Elderly people, of course, deserve respect. Some people have even accused me of being one of them. The state pension – thanks to the Coalition – has rightly been protected. But meanwhile young people face employment that is insecure, and unaffordable housing. And – now – a future of narrowing horizons and closing frontiers, which the vast majority of under 25s never voted for. As Britain's government of the future,

Liberal Democrats will always be their voice and their champion.

But there is an elephant in the room. Debt – specifically student debt. We all know we suffered grievous political harm from making a pledge seven years ago on tuition fees that we couldn't meet.

The problem hasn't gone away. We are faced with a fundamental dilemma. The changes we made in Government ensured universities are properly funded. And it is right that the most highly paid graduates pay most; those who earn least pay nothing at all. Yet just because the system operates like a tax, we cannot escape the fact it isn't seen as one...the worry about debt does cause students and their families real concern.

Escalating student loan interest rates add to that concern. And many universities are obsessed with getting bums on seats rather than giving students value for money. I have therefore launched a review, led by former Cambridge MP David Howarth, which will recommend options for reform, including a graduate tax. We will consult on the outcome through the party's policy process, and I aim for its results to come before you at a future conference. We value the support of students, so we must get this issue right. We also know that the most pressing issue for students day-to-day, and the main source of debt, is the cost of living.

Under our Government, the number of students from poorer households increased, in part because Liberal Democrats improved maintenance grants. The Tories have now trashed that record by slashing those grants altogether. They should be ashamed to see any student deciding to terminate their studies because they cannot pay the rent. But young people need more than financial support. They need a political voice. That is why votes at 16 are at the centre of our campaigning for political reform. If it is OK to vote at 16 and 17 in Scotland, then it's OK to vote at 16 and 17 in England, Wales and Northern Ireland.

This reform sits alongside proportional representation for Westminster and for English and Welsh local government; a fully elected House of Lords; reform of party funding; and radical decentralisation from central to local government. We are the party of political reform. And in particular, we are the party of devolution, and we have proved how well it works. I want to pay particular tribute to our campaign teams in Scotland for their advances under Willie Rennie, and to Kirsty Williams for the superb job she is doing as Welsh Education Secretary. But before we overhaul what is fundamentally a broken political system we have to demonstrate that we can win under the existing system. That means opening the way to many more Lib Dem councils and MPs, by getting back, at least, to the national vote share we enjoyed before 2010.

I believe it can be done. But it won't be until we have a party that looks like modern Britain. Thanks to the efforts of our Party President, Sal Brinton, and others, progress has been made in improving gender balance, but it is still inadequate. I demonstrated in government a commitment to this issue by working with women in business to achieve a demanding target for women on the boards of top companies.

I am committed to similar ambition in our own party. We have even further to travel in ensuring that we have proper Black, Asian and Minority representation at all levels. As many of you know, I married into an Asian family and we brought up a multiracial family in this country. My own family has flourished. But I am perhaps more conscious than many of the subtle, and often not so subtle, barriers that exist. And now there is an upsurge of xenophobia and racism, which many of us dared to hope had been banished for good. There is much to be done before we can call our country and our party successfully integrated. But I am

optimistic. We believe in equality.

We have demonstrated through the work of Lynne Featherstone and others on equal marriage that we can lead public opinion in a liberal direction. I am optimistic too for our party. We have had several difficult years since the formation of the Coalition.

But I know there is a great deal of resilience, energy and self-discipline in the party which will fuel our recovery. There are big opportunities created by our distinctive and clear leadership of anti-Brexit opinion and by the growing self-indulgent extremism in both the Conservative and Labour parties.

I know you are impatient for success. This country is impatient for success. I am impatient for success. But I know too the value of endurance. Success is often laced with setback. I reflect on one of the most difficult periods of my life, when many of you will know that I lost my first wife. In time, I recovered and I found a new partnership with Rachel. She has sustained and supported me ever since. Her energy and dedication to me is the source of my energy and dedication to this party. And politics has proved an even greater waiting game than life. I had to wait 30 years from my first campaign to win a seat in Parliament. I had to wait two years to return, after the setback in 2015. But now, friends, the time for waiting is over.

Only the Liberal Democrats have the ideas, the experience and the commitment to transform the fortunes of our country. An exit from Brexit. A grown-up approach to the economy. And bold ideas to strengthen our society through the 21st century. I am ready to take our message out to the country.....and I ask you to join me on the journey as we, together, take the Liberal Democrats.....back to Government. ■