

Read the Small Print

Paul Holmes

Liberal Democrat Party Leaders and their predecessors have long complained about the policy making process within the Party and its culmination at Conference. One legitimate complaint is about the length of the policy making process. No Leader or Spokesperson can respond to an urgent development or an opponent's policy initiative by telling Parliament or the Press:

“Hang on a minute whilst I run that through the Party's 18 month long policy making machinery. I'll get back to you after next years Conference.”

Necessary snap responses however are expected to be in tune with previously agreed policy lines and there's the problem. Those pesky Conference delegates we are told can ambush the Leadership and land them with 'mad' policies such as preventing cruelty to goldfish by banning them being used as prizes at fairs. In fact this was not the result of a Conference 'ambush' at all. This 'infamous' and completely sensible policy (in terms of preventing cruelty to animals, as John Stuart Mill told us we should in 'On Liberty'), was actually a product of the 18 month process leading from Working Party via Shadow Cabinet, Parliamentary Party and Federal Policy Committee to Conference.

Another Leadership grumble has always been that Conference delegates tend to act on all that stuff about 'one member one vote/ members are at the core of the Liberal Democrats/ members should have their say'. New Labour has completely emasculated their Conference and the Tories have never pretended to submit policy to anything as 'vulgar' as membership sanction. Liberal Democrats alone can legitimately boast of the democracy and accountability embedded in their constitution. No surprise then, that delegates sometimes want to discuss 'uncomfortable' issues like faith schools or drugs policy. Or that sometimes they even refer policy proposals back or on occasion reject them. Some years ago when still a teacher, I remember helping reject a proposed education policy on school governance. This had, I am told, an earlier inspiration in the work of a then Liberal Democrat member called Andrew Adonis. Whatever did happen to him and his damaging educational theories on privatising governance (academies/free schools?), testing and league tables?

Different Leaders have dealt with the issue of Conference in different ways. Backroom 'strategists' have often urged a deliberate back me or sack confrontational route, although Leaders have usually had more sense than to adopt such a risky approach. Ming for example wrote in 2006 that **“The Liberal Democrat conference makes policy. Its debates are meaningful and its decisions binding. It means that as the leader of the party and chair of the Federal Policy Committee, I don't just announce proposals and expect you to go along with them like the Conservative and Labour party leaders. I need to win your approval for the platform on which we will fight the next general election.”**

Paddy of course was famous for leading from the front –so far out in front that his MP's often had to find out what was happening from the newspapers. The weekly Parliamentary Party meetings I am told could be very fraught affairs, as MP's waded that mornings newspaper stories of the latest No 10 deals on potential coalitions or joint working. Conference responded to all that of course by introducing the triple lock procedure which ensures that wide party consultation is required in future before any such deal can be enacted. The prospect of a balanced Parliament is more likely than ever within the next two years as

Labour only have to lose a little over 30 seats to lose power but the Tories would have to win a record breaking 130 plus to win a majority of one. Such a momentous swing has only been achieved twice before in the last century -in the Liberal landslide of 1906 and in 1945. Journalists in heady pursuit of coalition stories should remember therefore that the Triple Lock still applies and that Liberal Democrat Conferences cannot be ignored in the pursuit of Ministerial Limos.

Are we though witnessing a new approach to making policy now? That of slipping things through in the small print? At the Spring Conference a new health paper was adopted. It was full of excellent radical material on devolving power to locally elected Health Boards and ending Central Government dictat. A revolution that would decentralise power, decision taking and accountability in what is currently the largest and most monolithic single employer in Europe. A truly Liberal Democrat approach and a credit to Norman Lamb as Health spokesman. However, buried within it, not mentioned at all in the Conference motion and given just three short paragraphs in the Conference speech was a small section on an innocent sounding Patient Contract. In the post conference policy summary published in May, this low key item was suddenly promoted to being one of the top three headline policies. Involving, as it does, setting a waiting time for all treatments and paying for patients to go private if they are not met, it could just be a little controversial among our members!

At this autumn's conference we have a similar example of policy understatement in a key area. Make it Happen is another excellent document full of radical Liberal Democrat policies and a credit to Nick and his team –especially Danny Alexander who oversaw its production. Many of these policies are not new, far from it. But just because Labour has failed to see the light and steal them from us over the last 11 years does not make them any less fresh, radical or vitally needed to transform our society. That journalists react with surprise is a tribute to the quality of the document and also an indictment of their short memories. It is a Rennard truism dear to the heart of ex election agents like me, that you have to deliver 3 Focus leaflets down a street before every household remembers seeing just one. Equally it is true that, just at the point where an MP gets sick and tired of repeating the same message, it is likely that the public might just –only just –be beginning to associate that policy with you.

If Make it Happen is such an excellent document what then is the problem? Buried within its 4,000 or so words are just 20 innocuous words with a huge portent, rather like the 'Patient Contract' in the health paper. **"If there's money to spare, we won't simply spend it. We're looking for ways to cut Britain's overall tax burden"** Such an innocuous statement, so easy to miss amongst the other 4,000 words. It isn't a headline, it isn't in bold, it isn't underlined. There is nothing to make it stand out from the surrounding existing policy on changing the tax and benefits system to benefit low instead of high earners, or replacing Council tax or Vince's brilliant critique on Northern Rock. But if this Conference lets it slip through as a tiny low key part of the larger document it will actually represent one of the most seismic shifts in party policy that I have ever witnessed.

Make it Happen was launched to the press on the morning of 17th July when most of our MP's were travelling to an 'away day' which would stretch from Thursday to Friday lunchtime and so keep most away from the press outlets. With Parliament only meeting for one day the next week, prior to the long summer recess, most of our MP's will not in fact be together again until Bournemouth. So how was Make it Happen presented to the Press and how did they report it the next morning? Did they focus on all the Green policies, the

transformation of the NHS, pensions, care for the elderly, foreign policy, scrapping 150 MP's, electoral reform, education? Lets see:

“Yesterday.....Mr Clegg ...signalled that the party would seek to cut taxes overallit is no mere shift of emphasis that the Liberal Democrats will seek to return money to taxpayers rather than spend it on social programmes. This is a significant change.” The Times.

“At last there is a political party in Britain that will campaign unashamedly for lower taxes. Astonishingly a party leader has had the guts to say the unsayable: public spending is too high and should be cut. Sadly that party leader is Nick Clegg, not David Cameron. ...It marks the triumph of the so –called ‘Orange Booker’ tendency within the Liberal Democrats, who are to all intents and purposes small state, liberal conservatives.” The Daily Telegraph

“Nick Clegg yesterday broke the cross party consensus on the size of the state, committing the Liberal Democrats to reducing the overall burden of taxation.” Financial Times

“Mr Clegg’s pledge to cut the tax burden contrasts sharply with David Cameron who warned earlier this week that tax rises may be necessary and that the state of the economy meant no guarantees of tax cuts were possible.” The Independent.

Now let’s be clear, I am not disagreeing with the policy of cutting the basic rate of Income Tax to 16p, the lowest rate since 1916, and paying for it by the Green Tax switch and by removing tax loopholes and benefits enjoyed by high earners. Indeed some of you noted with surprise (because it involved abandoning the proposed 50p Top Tax rate that was so popular in the 2005 election), that I stood up at a previous Conference and argued successfully for the adoption of exactly that policy. Neither do I have a problem with funding desirable public spending (such as more police, more education spending, better pensions, abolishing tuition fees) by scrapping less desirable Labour Government spending (such as ID Cards, Baby Bonds, the third tranche of Euro Fighter and so on), rather than via tax increases such as the famous Penny on Income Tax that we –so successfully –fought the 1997 and 2001 elections on. In fact in Vince’s pursuit of the £16 Billion of spending to switch I could give him a few new suggestions such as not building new nuclear warheads or Trident submarines and the third of a Billion the Government gives to a supposedly self funding charity that promotes Academies.

What concerns me is the brand new and drastic change of policy that was slipped into Make it Happen under the radar and then spun to the press when all the MP’s were out of the way and before being approved by Conference. Now we are suddenly pursuing £20 Billion of spending ‘cuts’ and the extra £4Billion, or some of it? or more? – the details are non existent – is to go in reducing the overall tax burden.

No one wants to pay tax especially if it is being wasted on failed IT schemes, illiberal ID Cards, botched medical contracts and so on. But our tax burden at 36.8% of GDP is lower than in 8 of the last 27 years, is 15th out of 30 OECD countries and has only just reached the Western European average. The economy is now worsening and tax receipts therefore falling. Would low and middle income earners be helped more by a small further cut on top of the reduction to 16p (remember £4Billion does not even equal 1P on/off Income Tax), or would the money be more effective being spent on rationed NHS drugs, or abolishing all prescription charges (half a Billion), or cutting class sizes, or providing better child care, or

more and greener public transport or better equipment for front line troops
or.....?

These are difficult questions but need debating up front, in detail and without generalisations about massive tax burdens which are actually average tax burdens compared to equivalent countries. This is far too important an issue to be slipped through as 20 words in a 4,000 word document.

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