THE NEXT MOVES FORWARD

What should Conservatism address in the future?

FUTURE OF ≫
CONSERVATISM

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It's a pleasure to be here with Onward for the launch of their Future of Conservatism project.

There are at the moment, it seems, rather more people preparing to write the obituary of Conservative Government rather than its next chapter.

But I think they're wrong.

As the Prime Minister's success in agreeing the Windsor Framework aptly demonstrates, reports of the death of Conservatism are greatly exaggerated.

Because the challenges we now face as a country require answers which conservatism – Conservative party members and supporters – and a Conservative Government – are best equipped to provide.

And I can think of no better organisation than Onward to lead that work.

Under first Will Tanner, and now Seb Payne and Adam Hawksbee, and their team, Onward has provided an unsparing analysis of the problems the country faces – and the need for Conservative solutions. They have charted the changing political demography of the nation, diagnosed our new discontents – from the problems in the housing market to the requirement to rebalance our economy – and identified fresh – Conservative – ways forward.

Onward has also been a nursery of Tory talent. Under the stewardship of original Conservative modernisers and Onward's generous backers they have supported the next generation of Conservative modernisers to come to the fore – Neil O'Brien, Eddie Hughes, Rachel Maclean, Kemi Badenoch, Gillian Keegan, Tom Tugendhat and Claire Coutinho.

The essence of Tory modernisation is to be true to the core principle of Conservatism – to deal with the world as it is, not as we might wish it to be.

Conservative modernisation means applying enduring Conservative principles to our changing times and adapting policy to an altered world. The problems faced by Margaret Thatcher and Nigel Lawson – and indeed George Osborne and David Cameron – are different from the crises and challenges we face today.

THE FOUR CHALLENGES

Today I want to outline four key challenges that I know the Onward team will wish to rise to.

First, the world economy has changed. The long shadow of the financial crisis, the Covid pandemic and the war in Ukraine have all seen us move beyond the high water mark of globalisation to a time where national resilience and economic security matter more.

Second, the challenge of inequality has sharpened. The economic gap between our most productive and least productive regions, long a British weakness, was brought into jagged focus with the Brexit referendum. Nations which do not mobilise their entire population to maximise growth are handicapped in the global race; and the nations in which communities are disempowered, economically and politically, fail to provide all citizens with the agency, security and dignity they deserve.

Third, our cultural and social life has become more polarised. The growth in identity politics has encouraged division.

Between those who must check their privilege and those encouraged to nurse their grievance.

Between those who organise their lives around acronyms and abstract nouns – such as EDI [or equity, diversity and inclusion] – and those whose concrete experience is rooted in family and community.

And between those who see everything through the light of their progressivism and those believed to live in the darkness of fading nostalgic dreams.

Fourth, and finally, the respect owed to, and the self-confidence displayed by our institutions is in decline. Parliament, the police, our museums and our broadcasters, the educators charged with passing on knowledge, the adults who must exercise discipline, have all seemed both under siege and unsure of their place. And their formative role in our society, shaping and being informed by our values, is therefore lost.

A QUEST FOR COMMUNITY AND THE QUESTION OF AUTHORITY

Underlying all these problems, I believe, is a quest for community. And a question of authority.

And this goes to the heart of what Conservatism, alone, offers.

Conservatives believe in the human, the organic. The ties that bind. Reciprocity and solidarity; obligation and duty; prudence in economy and realism in policy. We feel the responsibility of stewardship; the need to cherish what we have inherited and pass it on, enhanced, to the next generation. We recognise that out of the crooked timber of humanity, no straight thing is ever made; that there is no enduring joy in happiness that cannot be shared; that every soul is precious but that it is in communion we are made whole.

There has been a strain of thinking on the right, popular recently, that departs from these principles. It has seen citizens as consumers, government as a problem not a guardian and – while talking of merit and reward – has seen them as commercial indices and not moral values.

It has placed the abstract goal of global free trade ahead of the economic welfare of all citizens; and the principle of radical individual freedom, and self-realisation, ahead of the other goods that promote human flourishing. It has encouraged a culture of dutiless rights and commercial calculation. Laissez-faire and enrichissez-vous.

This right liberalism, or libertarianism, has a simple, heady, appeal. And its advocates can sometimes bring a necessary, if bracing, challenge to complacency and vested interests.

But recent events have shown both the limitations of its appeal and its effectiveness.

And it is particularly ill-equipped to deal with the challenges of our time which I outlined earlier.

Let me take them in turn.

AN INCLUSIVE ECONOMY

First, our economic challenge. The financial crisis, the pandemic and the Ukraine war require us to rethink our political economy. We are no longer living in the neo-liberal era hailed by thinkers such as Thomas Friedman when he told us "The World is Flat". We are living in an age of realpolitik and rivalry in which the ruthless pursuit of national advantage guides leaders.

The admission of China to the WTO, which he and others hailed, may have seemed like a victory for the march of economic liberalism. But it has vindicated Lenin rather than Adam Smith. He prophesied that the capitalists would sell him the rope with which he would hang them. And the leaders of the Chinese Communist Party have ensnared others, cornering commodity markets, threatening freedom of navigation, stealing intellectual property, acquiring strategic stakes in critical technologies, fostering reliance on their expertise in nuclear energy and co-opting manufacturing investment and jobs.

Reacting to the changed nature of the global economy matters – because we are feeling the direct impacts of a failed model in all our lives. The pandemic showed us how dangerous it was to rely on countries such as China for vital goods such as PPE. The war in Ukraine has reminded us how important our own energy security is. And the impact of both, allied to the effect of quantitative easing over such a long period, has

had a direct effect on every household here at home. It has hit the supply of vital products, exposed domestic industry to higher costs and driven up inflation.

No Conservative can regard inflation with equanimity. It punishes thrift, hits the poorest hardest, erodes the incentives to work and save, and undermines the stability of the currency – the sovereign state's guarantee of fairness in economic relations.

That is why the Prime Minister's pledge to halve inflation is so important. Sound money is the first Conservative economic imperative. On it all else depends.

But no durable answer to our economic problems is possible unless we learn *all* the lessons of this moment.

Our economic security, the insulation of our citizens from future cost of living shocks, the protection of their jobs, the growth in their living standards, depends on recognising we cannot rely on the kindness of strangers. We need to build our own, more resilient, national economy.

And that depends on developing a national economic strategy. One which avoids an over-reliance on fragile supply chains, an over-concentration on a limited number of sectors, such as financial services, for growth, and an overly naive trust in the intentions of others.

At its base, that national economic strategy rests on proper fiscal conservatism. We cannot sustainably spend what we have not earned. And that is why the Prime Minister's emphasis on reducing the national debt is so important.

But it means more, too. It means enhancing the productive capacity of the economy, diversifying the sectors upon which we rely, providing productive work across all of our country for all our citizens, embedding resilience in our economic life.

That means recognising that a 'butler' economy which attracts international capital by serving it, through the provision of financial and business services, no-questions-asked property transactions and a bias towards rentiers can never be truly resilient. Rather than being an entrepôt, a bazaar and a duty-free exchange, a strong economy must also make, manufacture, create, innovate and shape.

We should have a bias towards putting capital to work rather than working to serve the needs of those already with capital. A bias towards investment in production. The Chancellor has already outlined those areas where we can attract more productive investment – sectors where we have strengths on which we can build: Digital Technology, Green Industries, Life Sciences, Advanced Manufacturing and Creative Industries. We need to ensure that the steps we have already taken as a nation to lead in these sectors are followed through.

We need to reform to ensure our national regulators, from Ofcom to Ofgem, Ofwat to Natural England, have an imperative to put growth first.

We must commit to ensure we integrate domestic supply chains in areas such as renewables and electric vehicles.
That also means thinking hard about not just capital investment and formulation but also how we use another factor of production – land.

We need to consider how the incentives in our land and property markets work. We need further reform of our planning system so it operates in a more geographically thoughtful way to foster innovation and encourage scientific endeavour.

And, above all, we need to use the planning system and other tools to help communities grow.

Because the economy of our shared British home will only be resilient if more people have the chance to live in, and ideally own, a decent home of their own. The quality of your home should not depend on the goodwill of your landlord or the conscience of your developer; and owning a home should be an attainable aspiration for many, many more than is the case today.

We have started to unpick the obstacles to change – with measures to improve the quality of social and rented housing, and reforms to planning and incentives. But we must do more to bring us closer to a sustainable housing settlement where young people – including those currently without capital – grow up in houses and neighbourhoods that are safe, decent and beautiful, and where it is a realistic hope to own their home.

And as well as reconsidering how we think about capital and land, we also need a labour strategy.

In doing so, we must acknowledge that we surrender too much of value if we import skills from abroad at the expense of training people at home. Our experience of free movement was that while it provided opportunity for some, many communities were left behind while net inflows of often low skilled workers put downward pressure on wages while increasing demand for local housing, GP services and schools. Rather than investing in skills here at home, businesses would too often hire from abroad.

It was therefore vital that we were able to take back control of our borders – and it is also why one of our priorities as a government is to stop small boats and make sure those coming to this country illegally are detained and promptly removed [to their country of origin or a safe third country].

We must have generous and effective means by which people who need asylum can find refuge and safety, and do so lawfully. We must also provide the means for businesses to employ skilled workers where that makes sense. But the ability to control these flows is critical to the way in which we build resilience both in local communities and in our national economy.

Our labour strategy must therefore provide a means to build at home the skills our future industries will need. We have to look afresh at the incentives which guide students towards certain courses, and indeed the incentives which steer higher and further education providers towards offering particular courses.

We know that maths and physics, chemistry and biology, engineering and computer science all offer both the individual student and the national economy greater opportunities than some other courses that are cheaper to provide and appear easier to navigate. We have made great strides in our schools to increase the numbers studying STEM subjects but there is still much more to do.

That is why this Government has created a new Department of Science, Innovation and Technology to champion these skills, and why the Department for Education is reforming technical and vocational education to support that drive.

On the subject of science and technology it is absolutely imperative – as Tony Blair and William Hague have reminded us this week – that, as we think about the future of our politics and our economy, we recognise we are living through a period of accelerating technological change almost without equal in our history.

Gene mapping and editing, new food technologies, quantum computing, machine learning, AI, nuclear fusion – all promise to transform our society. And the combined, collective, power of these technologies overlapping and reinforcing change will take us into territories yet unimagined.

The United Kingdom is well placed to lead, and shape, these breakthroughs. That is why we must invest more in research and development even as we overhaul how we allocate research spending and develop new regulatory approaches.

We must also consider the ethical and social challenges new technologies will bring – in life sciences and AI they are particularly acute – and that is where a Conservative sensibility – being attuned to human nature and human dignity – is so important.

I know that Onward will be looking at just how we can overhaul sovereign capability in our economy, how we can improve national regulation, how we can develop a modern industrial strategy for high value manufacturing, how we can move towards greater energy security and realistic net zero technologies, how we can reform the land,

housing and property markets to boost growth and how we can improve the skills and science base of our country.

A MORE UNITED KINGDOM

Thinking hard about a new Conservative political economy is vital in addressing the second big challenge of our time – sharpening inequality.

Successive Governments have wrestled with the economic inequalities which make our Kingdom less United. At their root lies the uncomfortable fact that high-paying jobs, productive enterprises and investment are concentrated disproportionately in the south and east of the nations of the UK. And it is in those communities which were less prosperous that the demand for change – not least in the Brexit referendum – has been loudest.

Addressing that challenge, levelling-up, is an economic imperative – we cannot succeed in a world of even greater national economic rivalry unless we marshal the talents of all our people – but it is also for Conservatives a social imperative. We cannot allow so many of our fellow citizens to lead lives less fulfilling. We are a national party or we are nothing, as one Conservative Prime Minister memorably reminded us. Conservatives think of promoting national welfare, national solidarity, national unity, as abiding duties – missions, if you will.

The Levelling Up White Paper we published last year lays out a diagnosis of our ills and steps to national renewal. The White Paper demonstrates that enduring economic growth depends on irrigating the soil in every part of the United Kingdom to enable the private sector to invest and create jobs and growth.

It rejects the regional policies of the second half of the last century which involved Whitehall directing capital and labour to economically under-powered parts of the country without putting in place the social, educational, cultural, political and financial infrastructure to ensure that investment would be resilient to shocks.

And it also moves beyond the approach of the first years of this century, which expected talent to move south if it was to prosper, and kept economically-underpowered areas afloat through welfare and other transfers from more prosperous communities.

Instead, the White Paper, and the policies which flow from it, seek to build up the ability of all communities to retain talent and attract investment.

That involves improving educational attainment, reflecting the pride citizens have in their communities by tackling high street decay and civic dilapidation, distributing cultural opportunity and excellence more widely, ensuring research and development investment can secure a return everywhere and – critical to the success of all of the above – devolving power to local people.

At one level, that means strengthening the hands of mayors such as Andy Street and Ben Houchen who are champions of their area, responsible for economic growth and development and accountable for visible improvement at the end of their four-year terms. But it also means more autonomy, and sharper accountability, for local politicians everywhere.

And, even more importantly, it looks to empower civil society: self-organising groups who can both solve local problems and thicken social capital, by giving a sense of purpose, control and achievement to communities which have been overlooked and undervalued in the past. Whether it's the parents supporting a free school, the residents who shape a new neighbourhood plan or the families who reclaim green spaces for their children and run local shops, pubs and clubs, they should be supported to take back control.

Conservatives, more than any other political tradition, recognise that it is through relationships – through a sense of local loyalty, community solidarity and mutual obligation – that we both find our truest satisfaction and enrich the lives of others.

For these communities, the need is not for greater liberty and the removal of restraints – which they often experience as the licence given to joyriders and drug dealers, vandals and fly-tippers, usurious loan sharks and distant, neglectful landlords. What they yearn to see is the warmth of strengthened community and the protection of re-asserted authority. Conservative virtues: restored and renewed.

That is why we need to look at how we can protect and enhance community assets, from football clubs to local pubs, gurdwaras and mosques, charities and credit unions, libraries and theatres. We need stronger incentives for pro-social action. And tougher action against anti-social behaviour. Because without order and authority, gentleness and kindness cannot flourish.

The yearning for a greater sense of community, shared purpose, solidarity and, indeed kindness, which I believe is everywhere apparent, is challenged by the third of our present discontents: cultural polarisation.

HARMONY NOT DISCORD

In the last decade there has been a growth in both the ambition and zeal with which advocates of radical social change have advanced their ideologies. There is a new energy animating the movement, which my colleague Kemi Badenoch has pointed out is closer to religious evangelisation than political persuasion.

Their world is divided into those who bear original sin – whether whiteness or some other privilege – and those whose suffering, linked indissolubly to their identity, gives them the moral authority to re-order this fallen world.

This movement is often described as "woke" activism. I dislike the use of the word woke. Both because it can at times seem to trivialise and render as simply eccentric and

amusing what is actually an increasingly powerful and destructive force in our society; and also because being awake to genuine injustice is a distinctive part of the conservative tradition.

Those of us who have expressed concern about this phenomenon – we who see identity trumping ideas in arguments, who see language policed for evidence of thought crime, who see attachments to faith and family regarded as reactionary prisons – are often derided as culture warriors. But it is the radical social change activists who want to identify, create and magnify divisions, who want to tear down and transform, who demand repentance and self-abasement. Where they bring discord, I want to see harmony. I want to bring peace to our cultural war.

That requires an acknowledgment that there has been and still is injustice in our society. We need to exercise thought and care in reflecting on the experience of others, value different perspectives and practice empathy. We should be alert to the pain and disadvantage endured by those within particular communities – the higher rate of school exclusions faced by black boys, the limited employment opportunities faced by women from some South Asian diaspora communities, the inadequate attention historically given to the well-being of people questioning their gender identity. Every citizen has rights, dignities, an expectation of kindness and respect, which is inherent in their humanity and their membership of our national community.

There is, however, a danger in considering every difficulty endured by fellow citizens through the prism of group identity, framed by a narrative of struggle and oppression.

It robs individuals of agency, and the dignity that brings. It encourages resentment towards others, and the shrinking of the space of empathy. It makes the allocation of resources a competition between groups each trying to outbid each other in an auction of grievance. Community is about both loyalty and reciprocity, attachment and obligation; and setting groups against each other is not the route to stronger communities, but the path to their dissolution.

That is why the Government's Inclusive Britain strategy does not seek to diminish for one moment the disparities and disadvantages that exist in British society. But the answer which the strategy outlines is greater national solidarity, not the unravelling of the ties that bind.

And yet: in considering how to deal with the demands, and actions, of the radical social activist movement it is worth asking *why* they are so keen on escalating cultural conflict, not working in comity to overcome injustice.

It is necessary to look at the ideological roots of the movement to understand this current moment.

For much of the twentieth century, the radical left sought the economic transformation of society and considered the emancipation of the working class its cause. But with the collapse of state socialism in Communist countries, the spread of prosperity across classes in the Western world and the shrivelling appeal of Marxist revolution to the

masses, the radical left had to find both an explanation for its failures and a new outlet for its energies.

New currents of radical left thinking, such as the Frankfurt School, believed that it was a lingering sentimental allegiance to traditional social structures and cross-class loyalties which had impeded the revolution's advance. Family, church, community feeling, patriotism – all were obstacles to radical liberation and social transformation.

Alongside the growth of such currents there was an upsurge in interest in the liberation struggles of the developing world and the experience of minority groups within Western societies.

The two came together in an analysis that held that the structures which held back radical transformation – those stubborn traditional loyalties – could be dismantled by upholding the cry of justice for new groups.
Those who could be depicted, or conscripted, as the marginalised, the colonised, the oppressed and the othered were to take the place of the working class. Those whom Frantz Fanon called The Wretched of the Earth. And so their experience was annexed to the drive for transformation.

That is why there is such energy behind calls to decolonise curricula and museums – or such intolerance in some of the debates about gender or sexuality. The aim is to

delegitimize nationhood and national loyalties, make any traditional affections seem acts of oppression, uproot the settled and familiar and make way for a brave new world.

Involvement in the movement can be intoxicating – being able to take on the mantle of civil rights activist and feel you are on the right side of history against the oppressors is alluring. But seeing the world in such Manichean, binary, ways is a recipe for further division and conflict, not progress and understanding. If those with whom you disagree are not just wrong but evil, then the social bonds which unite us snap.

And the desire to impute guilt and the demand, in particular through cries for decolonisation, that the current success of free societies like ours should be seen as solely built on expropriation and exploitation is intended to delegitimize our shared values. If the United Kingdom is seen as a pirate society then our pride in our democratic traditions can be depicted as misplaced. Our national solidarity, the wealth we owe to free markets and the openness to inquiry we owe to free speech, can be seen as counterfeit.

It is because this cry for radical social transformation has such energy, because its ambitions are so extensive – and because it seeks to dismantle the very values and institutions which are the bedrock of our security and liberty – that we need to develop a response which is both sophisticated and robust, nuanced but authoritative.

We need to be clear that Enlightenment values have to be defended. We need to be clear about objective scientific truth in human biology. Emotion can't change your chromosomes. Any examination of the historical record should be based on a balanced assessment of the evidence. No cause is so noble that you can *manufacture* the evidence. The authority of reason and the integrity of truth must be upheld.

Because it is precisely those values, and traditions, that have made the United Kingdom such a success. We are a multinational, multi-ethnic, multi-faith state with perhaps the most plural parliament and almost certainly one of the most ethnically and religiously diverse Governments of any country. These are strengths, strengths rooted in our common law, parliamentary and free speech traditions. It is by upholding, and renovating, these traditions that we ensure the United Kingdom remains a warm, welcoming and stable home for Britons old and new.

I know Onward will look, with sensitivity, and rigour, at how we counter cultural polarisation and conflict and keep our Kingdom united.

Which takes me to the fourth area of challenge where Conservative answers are needed.

PATRIOTIC RENEWAL

Conservatives know that the strength of a society depends on the strength of its institutions. The happiest and most prosperous nations are those with high levels of trust. And that trust should exist not just between citizens but in institutions.
In a world where change is accelerating there is a need for trust in those bodies and organisations which provide security and authority.

Parliament, the police, our national broadcasters, our National Health Service, the military, our universities, our cultural institutions, our great charities and civil society institutions.

Trust in all of these has been eroded, or challenged, over recent decades. Parliament has suffered because of the expenses scandal, and its failure to recognise for too long the democratic imperative of Brexit. The police, in many areas, have been less visible on our streets and more visible in championing fashionable social causes. Broadcasters have sometimes paid more attention to the milieux in which their leaders socialise than the society that pays their licence fee.

Trust in our democracy is the most vital value of all. So upholding and enhancing Parliament's authority matters.

Calm and ordered public spaces, security in our homes and on our streets, are preconditions of all our freedoms and our happiness. So strengthening the authority of the police to fight crime and maintain order is imperative. And our national broadcasters bring us together at vital moments in all our lives and transmit our culture not just to the next generation but to the world. So maintaining their authority by ensuring impartiality, rigour and inclusiveness is important.

The NHS and the military still, rightly, command confidence because their culture of service embodies the best of us. But strains on their ability to perform as they should mean we must be vigilant for their welfare. That is why it is so critical we clear the backlogs in the NHS and modernise its operation. And also why we need a thoughtful consideration of our military posture and capabilities to meet new challenges, which is what the refresh of the Integrated Review should provide.

Our universities and our cultural institutions remain some of the best in the world. Our great charities – from the National Trust to Christian Aid – perform a million daily tasks of conservation and kindness. But trust in them all depends on their keeping faith with the whole nation.

If Vice-Chancellors enjoy handsome pay packets but students have limited contact time with teachers; if museums and theatres are ambivalent about our national culture; if charities seem susceptible to sectional political campaigning rather than truly inclusive philanthropy, then the institutions of which we are, rightly, so proud, risk losing the authority on which their, and our, success depends.

Perhaps the most important institution of all, in all our lives, is the family. And here, like many politicians, I fear to tread. Venturing into any discussion of family policy risks appearing judgmental and opens the speaker up to looking hypocritical.

But family is so important to the happiness of individuals and the health of our society that we cannot be neutral. We know that stronger families mean better mental health, better educational outcomes for children, happier lives and more secure communities.

Strengthening families should not be about moralising – but about thoughtful tax policy. About providing the decent – and spacious – homes in which they can grow and about interventions in the early years: those vital first thousand days which my colleague Andrea Leadsom has highlighted, where family hubs, affordable childcare and responsive children's services matter so much.

I know Onward, true to its modernising traditions, will be well-equipped to think seriously and sensitively about how we can renew the authority of all our institutions.

Our times are challenging, certainly. But at times of challenge in the past it has been the Conservative tradition – pragmatic, empirical, rooted in reason and respectful of human nature – which has helped us to meet and master turbulence and change.

I am confident that as we consider how to make our country more resilient, more prosperous, more equal, more united, more trusted – warmer, kinder, more secure and more successful – that it will be Conservative answers that we find are the right ones.