

WHY THE CONSERVATIVE PARTY MUST OPPOSE TAX-AND-SPEND AND THE EUROPEAN UNION — OR DIE

PAUL MARKS



COMMENT BY BRIAN MICKLETHWAIT

Over the next year or so Britain will follow continental Europe into recession and the Labour government will increase taxes in order to “protect public services”. Many people will dispute these claims, I am not interested in arguing with such critics here. Whether I am right or wrong will be seen soon enough. What I am interested in is what the Conservative party’s reaction to these tax increases will be.

TAX AND SPEND

The Conservative party can either defend the tax increases — perhaps even following the John Redwood line that government Welfare State services are “underfunded” — or the Conservative party can oppose the tax increases.

If the Conservatives support the tax increases there is clearly no point in having a Conservative party — and it will not win a single vote from the Labour government. However if the Conservatives oppose the tax increases they will have to bow to media and other pressures and admit that they believe that the government spends too much money on the Welfare State. The Conservatives, that is to say, will have to return to a position that was popular among them in the late 1970’s but which was ratted on in 1979, when Mrs Thatcher gave in to the doctrine that it was only possible to “cut the increase in public spending”, not to cut government spending itself.

The latter position would clearly be a dramatic change in Conservative party policy, one that would have to be argued for against the background of a general public who have been taught that they can have a Welfare State without ever higher taxes and that government services can work if they are ad-

ministered honestly and with intelligence, in other words against a background of a general public who have been taught total nonsense.

To argue for cutting public spending — rather than for ever higher taxes and for economic collapse — would cause much bitterness within the Conservative Party and many resignations. However the alternative is the extinction of the Conservative Party — which would be seen as offering nothing different to the Labour government. “We can make government work by being honest and hardworking” was the Labour party’s line in the last election. If the face of failure this will not work again — least of all if the Conservative Party tries to use the line.

THE EUROPEAN UNION

The EU will continue to demand both ever higher taxes and ever more regulations, and a standardisation of taxes and regulations across its member states. Again, I am not interested in debating this. It has been seen in the past, is seen in the present, and will continue to be seen in the future. I am interested in the Conservative Party’s reaction to this.

The Conservative Party can either continue to go along with it — whether kicking and screaming as Mrs Thatcher used to do, or with the drooling eagerness of Ken Clark or Chris Patten — or it can “just say no”. The latter policy will inevitably put a future Conservative government on a collision course with the EU, which will lead either to abject surrender or to the withdrawal of Britain from the EU. Any policy of “reform from within” (or whatever other words are used) must eventually face the reality that the EU will never give up power. So Britain must either give in — and cease to exist — or get out.

A policy of standing up against the EU will inevitably lead to much bitterness in and many resignations from the Conservative party. However if the Conservative party does not stand up against the EU, by asking for a “repatriation of powers” through a process of “renegotiation”, it will be seen to offer no alternative to the Labour government — and there will be no future Conservative government. Potential Conservative voters will either stay at home, or actually support the Labour party. For, if one must have the ever expanding Welfare State and European Social Model, one might as well vote for “honest, decent” people who actually believe in it, rather than for a bunch of “twisting Tories” who dare not say what they really believe.

Weakness, either on taxes and government spending or on the EU, will not even bring peace to the Conservative Party, let alone hope of future victory. This is because the Conservative “left” (the Tory Reform Group and their allies) will not accept the present leadership, whatever policy it follows. They will continue to plot and conspire until either they are victorious, and one of their own is Leader of Her Majesty’s Opposition in active cooperation with the Labour Government, or until they are utterly defeated. Whatever disputes there may be must be got over in the next couple of years, as the recession begins to bite. They must not be allowed to drag on, and to undermine the next election campaign.

WHY SHOULD LIBERTARIANS CARE ABOUT THE CONSERVATIVE PARTY?

The Conservative party is not and has never been a libertarian party, and its commitment to even a modest move in the direction of freedom has always been qualified and undermined by cowardice and corruption. So why should it matter to



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FOR LIFE, LIBERTY AND PROPERTY

libertarians what the Conservative party now stands for, or attempts to do or promises to do in the future? There are two reasons.

The first reason is that, whatever else is new about “New Labour” and however much it now likes “the market”, the vast majority of people in it, including the leadership, believe that government is essentially good and is there to solve problems. Most Tories, no matter how corrupt and mentally confused they may be, do not believe that. To a Tory, government is a big stick which one uses when it seems the thing to do. To a Labour man, including a New Labour man, government is the benevolent smiling “community”. This is why, under pressure, Labour will always increase taxes and regulations. The recent increases in taxes and regulations are not the last bow to “Old Labour”; they are the first instalment of ever more taxes and regulations as the coming recession starts to bite.

Conservatives just *might* not increase taxes and regulations, and might even reduce them, if convinced that nothing else will work. There is no quasi religious belief in most Conservatives in the “compassionate state” to be got over.

The second reason that Libertarians should care about what the Conservative Party does is that there is no chance of an alternative free market party winning elections. I would happily vote for a Libertarian candidate, but I would also be happy to bet my life — perhaps not be a very high stake — that such a candidate will not win.

The public believes, rightly or wrongly, that the Conservatives are the pro private property party. (I hope all readers of this understand that a market not based on private property is quite meaningless.) If potential Conservatives do not vote Conservative they are no more likely to vote for a Libertarian candidate (whatever name was used) than they are to vote for the UK Independence Party. Such people will either support the Labour Government, on the grounds that “we must all hang together in the national crises”, or stay at home, as so many of them did in the last election, or go for the ultimate “protest vote”, for extreme racist parties. (If one is going to reject the basic beliefs of the establishment, why just reject their economic policies? Why not reject their social tolerance on such questions as race as well?)

Despite the fact that the European recession has not yet reached Britain, such parties are growing in Britain (although the European recession has not reached here yet), and the Conservative party, which is not a Libertarian party, is the only barrier to their future growth. The alternative to the political union that is the United Kingdom, or, if it must be, the nation of England, is not anarchocapitalism. The alternative is a European Union that will eliminate tax and regulation competition between governments and will have a *built in* “counterculture” of Greens and racials.

COMMENT BY BRIAN MICKLETHWAIT

I see things rather differently to Paul Marks, being less depressed about things than he usually is about whatever he happens to be thinking about.

I don't feel that I share a country with millions of voters and hundreds of politicians who have not learned anything in the last three decades. I see voters who voted Conservative again, and again, and again, and again, precisely because they had come to fear the indefinite expansion of the tax-and-spend state, and I see a Labour Party that has now thoroughly absorbed this lesson. Those Old Labour voters who thought that tax-and-spend was

going to be resumed are now having their expectations brutally driven downwards by their own leaders. (“Community” in New Labour speak doesn't mean the government doing it; it means the government *not* doing it.) The agreement between the two front benches, and between both of them and being sensible, is more complete than at any time in the last hundred years. Many Labour rank-and-filers may indeed *wish* that tax-and-spend would expand indefinitely; but, after much hectoring from their own front benchers, they have accepted that they can't go on *saying* or even *thinking* that it will, any more than all those 1950s Conservatives who regretted the demise of the British Empire said, or even believed, that *that* enterprise could be sustained indefinitely.

On Europe, the situation is less clear cut. Personally I agree with Paul Marks. We should never have gone in. Every year we remained in and remain in was and is a mistake. But if we seem set to stay in the EU, this is partly because (trivially) the new British Labour government *and* (crucially) because *reality*, both in Europe and in the wider world, are pressing upon Europe's rulers a very different model of the world to the one that they would prefer to be using, one that is far less repellent to the British generally, and to Paul Marks and to me in particular. I predict that both Labour and the Conservatives will muddle along with it as best they can, and that what “Europe” will eventually consist of will remain thoroughly confused for the foreseeable future. Maybe we'll eventually be swallowed up into a fascist super-state. Or maybe Britain — or failing that England — may continue to exist, in a form that may not *be* sovereign for the time being, but which, like Scotland, could resume being sovereign whenever it felt the urge.

What bigshots want, and what bigshots have to live with if they are to remain bigshots, are not the same thing. Life doesn't only consist of what powerful people want to do; it consists of them trying only what they think will work, and of much even of that failing and having to be rethought or reversed.

The Conservative problem is nothing so simple as choosing between (a) doing what Paul Marks wants or (b) dropping dead. In the eighties, Labour *did* face just such a dilemma. They had to choose between on the one hand socialism and extinction, and on the other non-socialism and survival. That they all knew that this was the choice meant that the survivalists were bound to win, provided only that they could be bothered to try. But the Conservatives could get a bit more pro-free-market, or a bit less pro-free-market, or more pro-EU, or less pro-EU, more nationalist (British or English), or less nationalist, more “modern”, or less modern. All such moves would make some sense and have their Conservative supporters. None are plainly doomed.

The idea that “the free market” has been as completely discredited as socialism — see John Gray in the *New Statesman* (September 12 1997) for his latest formulation of this claim — is absurd. What is true is that support for the free market is no longer any good for separating your party from those other fellows, because they believe in the free market too, in the same muddled and heavily qualified way that you do. In that sense, and in that sense alone, “the free market” is dead as a political idea. (On the other hand if you *really* believe in the free market, the way that we in the Libertarian Alliance do, the idea is anything but dead.)

I'm told that the new Conservative leader William Hague has decided that his party will say nothing about actual policies for the next three years. According to Paul Marks this will spell Conservative extinction, but I say it may mean no such thing. Hague presumably believes that such a stance will make the Conservatives seem less arrogant. Is he wrong? If Labour's claim to be running things better starts to look threadbare, then a similar Conservative claim may sound correspondingly less silly to the voters. For that reason alone, the Conservatives, ideologically as muddled as ever, may eventually get back.