

**“POWERFUL PEOPLE:
WHY PROGRESSIVE ENDS NEED PROGRESSIVE MEANS”**

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The Prime Minister asked on Saturday that voters take a second look at Labour. He set out serious plans for the pursuit of noble causes based on clear values. This speech is about those values, and how a re-elected Labour government would make them real.

The core value we espouse is a commitment to use government to help give people the power to shape their own lives. The power that comes with income and wealth. The power that comes with skills and confidence. The power that comes with rights and democratic voice. Not just for the few but for all. It is a fundamentally progressive vision of the good society.

In this lecture I want to explore why and how only the centre-left, social democrats and radical liberals, can realise the progressive insight that a free and powerful people is made not born.

I grew up in the 1970s and 1980s, when “progressive” was a word that neither Labour nor Conservative would have considered a compliment. Labour was struggling to reconcile the Labourism of its old right with the utopianism of the new left, the Tories sloughing off the pragmatism of Edward Heath for the radicalism of Margaret Thatcher. “Progressive” didn’t really capture what politics was about.

But after 1989 and the fall of the Berlin Wall, progressive became the catchword for centre-left politics, for the less ideological more values-based ideas approach that united Clinton and Blair with the governments of Havel and Mandela. It is a compliment to our time in government that after 2005 our opponents tried to learn our language. David Cameron and George Osborne have both made speeches in which they tried to claim the idea of being a progressive force for the political right. But it is not a claim that withstands serious scrutiny.

In the 1990s, spurred by David Marquand’s book *The Progressive Dilemma*, Labour embraced a more pluralist centre-left politics, in a conscious effort to draw on its liberal as well as social democratic heritage. That coalition has now dominated politics for a decade, bringing together individual rights in a market economy with collective provision to promote social justice.

I am proud of the long lists of changes in each category. I think we have changed the country for the better. The liberal achievements - gay rights, human rights, employee rights, disability rights - on the one hand. The social democratic ones - childcare, university places, health provision - on the other. And then those areas that fused the best of both: a New Deal for the Unemployed that uses the private and voluntary sector, devolved budgets for disabled people, the digital switchover, Academies, all combine government leadership with bottom up innovation and engagement.

It is very striking the extent to which this agenda continues to dominate important parts of political life. After all, one reason the Conservative leadership are currently tied in policy knots – backing away from health reform, back to front on government's role in sponsoring marriage, facing both ways on economic policy - is that they have felt it necessary to assert that they too seek progressive ends, contrary to the history of conservatism. It is quite a bizarre situation. New Labour was built on the application of our traditional values in new ways. The Tories are saying that they have got new values – in with social justice, out with no such thing as society - that will be applied in old ways, notably an assault on the legitimacy and purpose of government itself.

New Labour said the values never change but that the means need to be updated. The Tories want it the other way round. They say the values have changed, but, miraculously, the policies should stay the same. They even boast about not needing a 'Clause IV moment'.

This is actually not just a dry technocratic debate. It is about how much hope we invest in the future. Progressives are optimists about change. Conservatives are fearful that change invariably means loss. We think things can work better. Conservatives worry that they never will. We trust, as Bill Clinton used to put it, that the future will be better than the past, and we all have a personal responsibility to make it so. The Conservatives think, as they always have, that Britain is broken.

Now the polls show the British people are not feeling particularly optimistic at the moment: the political system is in disrepute, our financial system has had to be rescued from deep collapse, the moral authority of the West is contested, and international institutions are all but paralysed on issues like climate change.

That explains why the Tories, after promising to 'let sunshine win the day' in 2006, have decided that not only that it is raining but that it will never stop. That is why they have embraced a rhetoric of national decline, and are now promising an Age of Austerity. They think they've spotted that people are miserable and if they can only make them more miserable still, they can benefit.

Personally, I think this pessimism is overdone. David Halpern's work on the hidden wealth of nations provides some backing for this. And in any case, the purpose of politics is to change people's minds not read them. As then Senator Obama said in his Jackson Day Dinner speech in October 2007, when his campaign started to catch fire, principles are more valuable than polling.

The truth is that the routines and assumptions of 20th century Britain are all under threat of change. So there is a sense of discontinuity and rupture, and no settled destination. Jobs, communities, families are changing. The changes in the space of one generation are stark; sometimes they are alarming.

But that does not mean to say that Britain is inevitably declining. The right way to see how Britain is changing is not through the prism of decline, but through the prism of transition. Transition in the economy, society, politics. Transition too in foreign policy. So we should judge parties on whether they understand the challenges of the modern world, and whether they have a vision for how to meet them.

The transitions through which we are living are profound:

- A multi-polar world, where the rise of the Asian middle class, at a rate of some 70m a year, is not just the growth market of tomorrow; it is an indicator of how economic power, and political power, is going to shift from West to East.
- A world that has to find a way to stop consuming resources as if there were three planets rather than one. It's dropped off David Cameron's top ten reasons to vote Conservative. It's not dropped off ours.
- The twin challenges of better bringing up children and adjusting to ageing populations.
- Economies where manufacturing and services depend on intensive learning, knowledge creation, and scientific development.
- Societies that are more open and diverse than ever before, but where trust needs to be renewed.
- A world of political systems that develop new multilateral arrangements at the regional and global level, and embrace subsidiarity at the national and local level.

We know, in each area, where we have to get to. We know too that the old ways are not going to work. So we have to chart a new course. These are big questions and I cannot deal with all of them today. That is what our manifesto will do. But I do think there is a principle which applies to them all. I think it is a principle too that means the future requires philosophical and policy thinking that can only be supplied by the centre-left.

That principle is that power needs to be vested in the people, but we do not reveal a powerful populace simply in the act of withdrawing the state. In fact a powerless government simply means more power for the already powerful. That is the error that runs through David Cameron's speeches. We make powerful people by providing a platform on which people can stand.

It is not just that Government must be a countervailing power to vested interests, which is what the Competition Act has done to protect consumers; or that Government must address inequalities, which is what tax credits and labour laws do; or that Government must forge alliances around the world, which is what the European Union does; or that Government must protect people from risks beyond their control, which is what our bailout of the banking system has done.

It is that the big challenges of the modern world require an alliance of active government and active citizens. And that although government may be more needed than before; it is more questioned than before; so as the Prime Minister said in launching the Smarter Government White Paper it needs to be more reformed than before, not more reduced than before.

The expansion of capacity in public services – not just staff but also capital investment – has achieved a qualitative shift in public service provision, both in its scope and its depth. Part of our job in the Labour Party is to persuade people that they don't need another period of Tory government to remind them what its like to have underfunded services. But we know that in the next ten years investment cannot be the driver of reform in the way it has over the last ten. We simply will not manage chronic diseases that account for 80 per cent of the NHS budget without empowering the people who suffer those diseases; we will not restore trust in politics unless we bring the public into the decision making tent at local as well as national level; we will not reduce fear of crime or increase creativity in education through the actions of police officers and teachers unless they build new kinds of relationships with people, parents, pupils.

The argument of the Right is that this alliance should be based on a zero sum view of relationships between government and society. To roll society forward you need to roll government back. That's not how I see it. The transitions we face as a country require three interlocking commitments from government to nurture a country of powerful people.

First that it guarantees what markets and self help cannot provide. The reason the welfare state grew in the 19th and 20th centuries across Europe was simple: self help could not offer the services and protection that people needed. That remains true today – with new risks like care for the elderly added to old ones like the need for healthcare.

Today the Prime Minister is setting out how it is the responsibility of government to build an empowering education system for the future. It applies in other spheres too. If government does not guarantee apprenticeship places for young people, or a job guarantee if they have been unemployed for more than six months, no one will.

Guarantees do not always mean government funding; the social care debate, or university funding, shows that. They do not always mean government delivery: childcare shows that. But they do mean being clear about the birthrights of people, and committing to fulfil them: clear on the goals, pragmatic on the means.

It's just bogus to say that when government takes on commitments it necessarily disempowers individuals. The right to a cancer diagnosis within a week, to see a specialist in two weeks, puts power in the hands of patients; to abolish the right is to empower the manager. The right to be treated for all conditions within 18 weeks is a powerful tool in the hands of individuals precisely because it is accompanied by the commitment that if they are not helped by the NHS within those periods they can go to an alternative provider.

Second, the role of government is to provide a platform for markets and civil society. Strong government can nurture citizen responsibility not stifle it. As James Purnell – soon no longer to be my colleague but a good friend who has a big contribution to make to public life outside Parliament in the future - said two weeks ago, the point about the modern centre-left is that we seek empowering government, dynamic markets and strong communities as supports for and disciplines on each other.

The role of government is not to eradicate markets but mobilise them. The fight against climate change is a good example. Carbon markets will not exist without a powerful role for government. And without carbon markets there will be no efficient reduction in carbon emissions. The plans for feed-in tariffs from April this year will enable citizens and communities to sell renewable energy back to the grid at guaranteed prices. Alongside this there will be new incentives to install renewable heat and a financing scheme to make home energy insulation more affordable. This is not Government crowding out citizen initiative.

And governments are not an alternative to self help networks for the elderly and disabled to manage their own care. They are a key support to them. That is why the NHS is creating expert patient programmes and enrolling diabetes and Alzheimer's patients in self-help networks. Strong government can be a platform for civil society when it becomes more porous, open and interactive in the use of its information, buildings, infrastructure and budgets. That is why the UK alongside the US is leading the world in opening up public data to the public.

Nor do we ignore the danger that Governments will tend to bureaucracy or obduracy without the check of strong communities, with strong rights of redress against poor treatment, and ready-made levers to take power for themselves. That is why we have legislated for staff coops in the NHS. Whether employee or citizen led, the Labour Party has rediscovered its mutual tradition in the last decade not just the last month, and with the Cooperative Party and the Commission on Ownership we are not going to let it go.

We also know government has to promote rights to neighbourhood management in local services. It's ironic that when I went to Hammersmith on Friday the Tory Council was resisting people power on its estates, as communities sought to use powers brought in by the Labour government to enable them to run, and save, their estate, in favour of bulldozing what the leader of the Council called "ghettos" to make way for more expensive housing.

Third, government only works as an ally of powerful people when power is situated in the right place – starting locally. We can only do that through what Phil Collins and Richard Reeves call turning Government upside down. We should start with the assumption that the individual should have power, but never forget that government needs to have enough power to stop the individual being overpowered. In government we would call it subsidiarity – so that fewer people would understand. In practice it means a more central role for local government, but also devolution to neighbourhoods.

Britain was built by powerful city government, but we have got the balance wrong between universality and dynamism in the last fifty years. That is one reason I favour in the next Parliament a referendum that is not just about the Alternative Vote for the House of Commons, but also about local government, fixed term Parliaments, and the House of Lords. Call it a Reset Referendum.

But localisation is not a strong enough recipe for powerful people in the modern world. Localisation without internationalism just means sink or swim. This applies in spades in our relations with the European Union:

- We will not make the transition to being a low carbon economy without European regulation.
- We will not make the transition to systemic financial regulation without effective European regulation.
- We will not make the transition to effective security for an age when terrorism not invasion is our risk, without effective European security cooperation.

Labour's challenge is not its philosophy. It is that it has to answer for every time government does not fulfil this vision. But the Tories' problem is that their instinct is the oldest deception in politics: that government just hurts the little guy. In essence it is an extension of Charles Murray's dependency culture thesis about the welfare state from the 1980s, and applying to all functions of government not just welfare.

David Cameron's Hugo Young Lecture last year was intended as a corrective to his disastrous foray into policy substance at his party conference where he said that the state was always the problem and never the solution. As he sought to allay fears that he had used the economic crisis to show his true colours as a small state Reaganite, he still showed what he really thinks.

The kernel of his analysis of Britain today was this: “There is less expectation to take responsibility, to work, to stand by the mother of your child, to achieve, to engage with your local community, to keep your neighbourhood clean, to respect other people and their property”. It was declinist. It blamed government for all ills. And every single assertion that can be measured in his list was wrong. Divorce rates are falling. School achievement is rising. Volunteering is up. Crime is down. The Tory dystopia of modern Britain relies on a picture of what is actually happening in Britain that has as much basis in reality as Avatar does. They need to believe that 54% of children born in poor areas are teenage pregnancies for their politics to add up.

But though the instincts are clear they are split down the middle. Not right versus left. There isn't a Tory left any more. But head versus heart. Radicalism versus reassurance. The heart says cut government, attack Europe. The head says: watch out, don't say that, the voters might hear.

The Tories say big government is the problem, but promise a moratorium on change in the health service, the biggest employer in the world. They say Britain is heading the way of Greece, yet will not say how their deficit reduction plan differs from ours. They say we are a broken society...and will heal it through a social action line on Facebook. They say we have sold our birthright to Europe, but don't want a bust up over it. Everyone knows we need to reform social care so people can grow old without fear, and all the Tories can do is put up scare posters.

I recognise the Tory difficulty. We faced it after 1994. You need to reassure people you are not a risk; and you need to offer change. But while we promised evolution not revolution in the short term, like sticking to Tory spending limits, we offered a platform for radical change in the medium to long term, from the minimum wage to school investment. Cameron's got himself facing the other way round. The heart insisted on radical change in the short term – cuts in inheritance tax for the richest estates, a marriage tax allowance, immediate cuts in public spending, bring back fox hunting. But after that, the head gives the impression that it really doesn't know what to do, other than press pause on reform, offer a £1 million internet prize for the best policy ideas, and then go off and play with the Wii. They have managed the unique feat of being so determined to advertise pragmatism that they have completely obliterated any medium term vision to their politics, while cleaving to short term commitments that leave the impression they are ideological zealots. It's the precise opposite of the New Labour approach in the 1990s.

The result is that today's Conservatism looks more and more like a toxic cocktail of Tory traditions. The government on offer from David Cameron would be as meritocratic as MacMillan, as compassionate as Thatcher, and as decisive as Major.

So yes Labour is behind in the polls. We are the underdog. But this is an exciting time to be on the centre-left of politics. The changes in our country require values of social justice, cooperation and internationalism if they are to benefit more people rather than fewer. We have learnt lessons in government. And the Tories can try rhetorical accommodation. It has been tried before. Salisbury talked about “Tory democracy” but bitterly opposed the extension of the vote and self government for Ireland. MacMillan talked about a Middle Way, but battened Britain down in a straitjacket of social conservatism.

What Labour offers is the courage to continue reforming so that Britain can prosper from the transitions shaking the modern world. So that Britain continues to believe in progress. Progressive reform is Labour’s mantle and we will not relinquish it.