

It's About Freedom

The Report of the Liberal Democracy Working Group

Policy Paper 50



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Foreword

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The Parliamentary Question which left Tony Blair uncharacteristically lost for words was not about adverse health statistics, ministerial failures or foreign policy: it was a modest request from his own side that he should give the House of Commons a brief characterisation of the political philosophy and beliefs which underpin his policies. His inability to do so, and his hasty retreat into health service investment figures, spoke volumes. If you want to know whether to vote for a political party – even more if you want to join one – it is more important to know something about its underlying beliefs than to know about its policies for this year or next. The policies will almost certainly change, and if there is no underlying framework of belief or philosophy, the direction in which they may change is unpredictable. That has been many Labour voters' unhappy experience of New Labour in government.

If the same question had not rendered a Conservative leader speechless, it might have evoked from him a statement of beliefs which bore little relationship to current Conservative policy and thinking. That is because traditional Tory beliefs in the need to conserve traditional British institutions, social structures and values were largely overturned in Mrs Thatcher's time, and the only replacement, which not all Conservatives have managed to take on board, is a narrowly nationalistic and anti-European ideology. The failure of this ideology to attract votes has led to a pragmatic interest on the part of some Conservatives in what to do about the public services, with no clear philosophical starting point.

Liberal Democrats have a distinct advantage which we do too little to advertise or exploit. The Party is based on a clear set of beliefs which can be traced back not only to the nineteenth century, when they were systematically articulated by John Stuart Mill, but even further back to the conflict between Crown and Parliament in the seventeenth century. Fundamental to Liberalism is the belief in the freedom of the individual. That freedom is threatened from many directions: by over-mighty states, by private concentrations of power, by the actions of other individuals, or by circumstances which leave the individual without access to power or opportunity. A preoccupation of Liberalism has therefore been the creation of a democratic system of government which can protect individual liberty and whose institutions are themselves restrained from usurping the freedom of the individual.

This philosophical inheritance has been put to the test at times of great change. The industrial revolution in the early nineteenth century led Liberals both to define the essentials of liberty more precisely and to attempt to tackle, through local government, many of the problems which would have left much of the newly urbanised population excluded from real freedom by squalor, ill-health and lack of education. An increased recognition that social and economic conditions constrained individual freedom led to major developments of the definition of Liberalism in the late nineteenth and early twentieth centuries at the hands of L.T. Hobhouse and others. The arrival of mass unemployment in the 1920s brought another development

as Lloyd George drew on Keynes and others to define how the state could manage the economy so as to prevent the freedom of millions being destroyed by their exclusion from paid employment. The end of the Second World War saw William Beveridge again redefining the scope of Liberalism, by setting out a system of social welfare but presenting it in explicitly liberal terms as a system needed to secure the freedom of the individual by establishing “*freedom from want and fear of want,*” and “*freedom from idleness and fear of idleness.*”

The union of Liberals and Social Democrats in the creation of the Liberal Democrats in 1988 brought together again elements of the Liberal and social Liberal tradition which had been divided from the 1920s onwards, largely because the growing Labour Party seemed to some to have a more realistic political prospect of achieving greater social justice in a free society than a then declining Liberal Party. It was the strength of their Liberal values and the inability of the Labour Party either to hold firm to those values or to face the challenges of a changing world which motivated the heirs of this tradition to create the SDP and to unite with the Liberal Party.

Thus at key points in our history, the philosophy which underpins the programme of Liberalism and the Liberal Democrats has faced changed circumstances and developed to cope with those circumstances. At the beginning of the twenty-first century we are once again at such a point. Globalisation, the impact of new communication technologies, the collapse of Communism, the rise of international terrorism, the growing drive to protect human rights wherever they are denied, the growth in many democracies such as our own of alienation from the political process, further degradation of the environment and the drive towards sustainability – there is a long list of developments against which any political philosophy needs to be tested, and we need to do that with the philosophy that characterises us as Liberal Democrats.

Summary: Our Core Values

1.1 The core of the Liberal Democrat intellectual inheritance is Liberalism. We start from the autonomy and worth of the individual. Any interference with the freedom of the individual to live as he or she chooses requires to be justified, if it can be, by reference to a system of values drawn from that primary recognition of individual freedom.

1.2 Individuals and groups have the capacity, by their actions, to take away the liberty of others. Therefore there has to be a system of law and institutions which protect individual freedom. Anarchy cannot protect freedom. Democracy is the best known means of achieving that protection through collective institutions, but if it produces simply the tyranny of the majority it is not Liberal Democracy.

1.3 Constitutional protection of minority rights, and barriers to the oppressive use of majority power are essential elements of Liberal Democracy, which is the antithesis of the socialist concept of democratic centralism. Experience of the way in which politically threatening power accumulates leads Liberal Democrats to argue that democratic processes should operate as locally as possible. In many cases the lowest possible level for a decision is the level of the individual, and we seek to keep decision-making at that level if possible. Where that is not possible, if a decision can be taken at the level of a small local community, it should be taken there, rather than at national or supra-national level.

1.4 Equally, because some decisions have to be taken at the national, European or global level in order to be effective – for example in safeguarding peace, assuring human rights or protecting the environment – there need to be democratic institutions capable of taking decisions at that level.

1.5 The freedom of the individual is, however, limited or non-existent if he or she is prevented by economic deprivation, lack of education, disadvantage or discrimination from exercising choices about how to live or from participating in the democratic process. It is part of a liberal society that institutions, whether state, voluntary, co-operative or private should have the capacity to meet these needs while being themselves governed by rules which prevent them from becoming oppressive.

1.6 Principles of freedom of access are central to the economic as well as the political sphere; free markets are a part of liberalism because they represent the extension of the concept of freedom into trade. They are also, in many proven respects, effective, but freedom in the market place is neither automatically self-sustained nor sufficient to provide for all those things which a liberal society should have: institutions are required which keep markets free and prevent monopoly. Other mechanisms are needed to ensure that individuals have access to the things which markets are unable to provide.

1.7 Freedoms of present and future generations will be destroyed if we destroy or seriously damage key elements of our environment: sustainability is a freedom issue. Without sustainability we deny choice to future generations. Without respect for the environment we damage freedom today with problems such as flooding, or threats to health and livelihoods from pollution or food crises.

1.8 Human rights are universal: the autonomy of the nation state does not take precedence over the human rights of its citizens and Liberal Democrats therefore accept that there are circumstances in which the international community can be justified in intervening, for example, to prevent genocide or to prevent the overthrow of democratic government by violent means.

1.9 Liberalism is not confined to a system for prevention of the abuse of power or the destruction of individual freedom, and those who believe in it seek not only the establishment and maintenance of that system but also a better society, in which a high quality of life is available and people recognise their responsibilities towards one another – a good society. It is a characteristic of Liberal Democrats, often drawing on their religious or humanitarian beliefs, to be visionary in their view of what society could be like and what humanity could achieve. A concern about the danger of accumulated power does not require a narrow, pessimistic or minimalist view of society. Generosity of spirit and enthusiasm to achieve a better society are qualities to be expected of Liberal Democrats. Where Liberal Democrats must exercise care, however, is in ensuring that the means thought necessary to create a better society do

not become means of enforcing one view of life and how it should be lived; we reject the use of the state or the law to enforce beliefs. Nor is being a philosophical liberal a requirement of living in a liberal polity, desirable though we might think it to be. Creating a society which is liberal is part of the contest of ideas within society: liberal democracy is a system which allows people to live together in freedom and peace whether or not they share the same ideas. Liberal Democrats do not have a blueprint of how life should be lived, but we do have a set of principles with which to approach problems and decisions.

1.10 Social and economic inequalities are a key issue in debates on political principles. Liberal Democrats are strong campaigners for social justice, but it is important to recognise that we place the principle of freedom above the principle of equality. Equality can be of importance to us in so far as it promotes freedom. We do not believe that it can be pursued as an end in itself, and believe that when equality is pursued as a political goal, it is invariably a failure, and the result is to limit liberty and reduce the potential for diversity. When equality is pursued as a goal, it also tends to lead to the belief that the central state has the power to achieve it and must be trusted to do so, whatever the cost in liberty. Many of the most repressive regimes of the twentieth century amassed state power claiming that it was necessary to promote equality. What Liberal Democrats focus on is the extent to which poverty and lack of opportunity restrict freedom. These things can justify the use of public expenditure, redistributive taxation, social insurance and active community provision. The objective of such measures is to make people free, not to constrain them into

economic equality, which is unachievable in practice. Indeed, if it were achievable it would require a static economy in which no one could become unequally prosperous by successful enterprise. The concept is a delusion.

1.11 Finally, rights and freedoms conflict with each other. The right to free speech can conflict with the right of minorities or even majorities not to be the subject of campaigns to stir up hatred. Religious freedom can be in conflict with a desire to protect young people from oppressive pressures to conform to particular life styles, whether by extreme cults or by traditions such as arranged marriages if they become forced marriages. Taxation restricts the rights of those who believe that they should not be paying towards things to which they are deeply morally opposed, such as military expenditure or abortion.

1.12 Liberalism as a philosophy provides no automatic answer to these conflicts of rights: indeed, its belief in democratic and constitutional procedures recognises their existence and provides mechanisms for their

resolution. What it insists upon is the recognition that such issues have to be examined in terms of rights, and resolved by balancing rights, not by merely asserting preferences or prejudices.

1.13 If, metaphorically, you scratch the surface of a Liberal Democrat, you should find a commitment to freedom, a zeal to ensure that no-one is deprived of freedom, a desire to create a society in which people can enjoy freedom, and a recognition that our first political duty – particularly if we are ourselves in power – is to ensure that mechanisms to protect freedom are in good order, and power is as widely shared as possible. It is even more important to be sure of these things than it is to be impressed by some aspect of current party policy, however valuable it may be.

1.14 As a group we sought to explain in more detail how this basic philosophy coped with some of the things which characterise today's world or are seen as challenges to our time. Among these are globalisation, social division, political alienation and the destruction of our environment.

The Development of Our Core Values

2.0.1 Distinctively liberal ideas have a history as long as that of political thought itself, and looking at these is a useful way of seeing where the Party has come from, where it is now and where it is going. These ideas give Liberal Democrats our distinctive creed, and mean that Liberal Democrat policies are rooted in firm principles. These basic principles are the same now as they have always been, although they have been developed and expanded to meet the challenges of different times, and so before looking at Liberal Democracy today, it is instructive to look at the history of Liberalism to draw upon these principles.

2.1 Ancient Times to the Nineteenth Century: Individual Freedom

2.1.1 An early example of liberal political thought is from Pericles in Thucydides' *Peloponnesian Wars* (431 BC): *"If we look to the laws, they afford equal justice to all in their private differences.... The freedom which we enjoy in our government extends also to our ordinary life. There, far from exercising a jealous surveillance over each other, we do not feel called upon to be angry with our neighbour for doing what he likes, or even to indulge in those injurious looks which cannot fail to be offensive, although they inflict no positive penalty."*

2.1.2 The Liberal political tradition has a long history in Britain, predating the existence of any political party incorporating the name Liberal. It goes back to the seventeenth century, and John Locke's *Letter Concerning Toleration*, which first set out the argument for the liberty to carry out any act which does no harm to other people.

2.1.3 This idea found fuller expression in John Stuart Mill's *On Liberty* (1859), with its view that *"The sole end for which mankind are warranted, individually or collectively, in interfering with the liberty of action of any of their number, is self-protection"*, and that *"the individual is not accountable to society for his actions, insofar as these concern the interests of no person but himself"*. In the same text, Mill put forward the importance of dissent, arguing that, *"If all mankind, minus one, were of one opinion, and only one person were of the contrary opinion, mankind would be no more justified in silencing that one person, than he, if he had the power, would be justified in silencing mankind."*

2.2 Social and Economic Limits to Liberty

2.2.1 Liberal Democrats do not draw solely from the Liberal tradition. We are the result of the union of two political parties, and in very simple terms, while the Liberal tradition has been based primarily on a commitment

to the rights of individuals, the Social Democratic tradition has tended to emphasise the importance of greater equality. However, there has been much common ground between the two and in many cases, differences have been hard to distinguish.

2.2.2 The New Liberalism of the early twentieth century marked a recognition by Liberals of the limits imposed on liberty by inequality. So for the last one hundred years at least, Liberals have consistently argued that economic and social deprivation mean that people do not have the freedom *to* act as they would wish, and they have campaigned against restrictions *from* acting as they would wish.

2.2.3 The former can be described as a positive liberty, and the latter as a negative liberty. The roots of this can be found in campaigns in the mid-nineteenth century on public health, health and safety at work and the right to education, as well as in Mill's work. But it was most trenchantly and controversially expressed by L.T. Hobhouse, whose *Liberalism* (1911) argued that "*the struggle for liberty ... is the struggle for equality*" and that "*Liberty without equality is a name of noble sound and squalid meaning.*" Hobhouse's work has remained at the heart of Liberal and Liberal Democrat thought in the work of Ramsay Muir in the 1930s and others since then, although his extension of the concept of liberty to embrace equality has been challenged by many liberals as equality can lead to an ineffective and potentially dangerous extension of state control over the individual.

2.2.4 The break-up of the Liberal Party during and after the First World War, however, drove many of those who thought of themselves as advanced liberals, or social democrats

(the terms were then practically interchangeable) into the rising Labour Party. In general, these individuals did not regard themselves as changing their political beliefs; they simply saw Labour as a stronger vehicle for reform than the Liberals. It was the political descendants of these people who largely provided the social democratic ethos and approach of the post-war Labour governments, and who departed Labour in 1981 to form the Social Democratic Party, and create its alliance with the Liberal Party.

2.2.5 Keynes and Beveridge are also crucial to an understanding of the development of twentieth century Liberalism. Their ideas on full employment and welfare were the bedrock of the post-1945 consensus on which economic development was based. Beveridge argued that social welfare institutions would result in a healthier and more productive workforce, to the benefit of the whole economy, and Keynes said that it was better in a recession for a government to borrow money and keep driving production and purchasing power, than to balance the budget but leave production low. These proposals were explicitly designed to give people access to society and the market without undermining their freedom and self-sufficiency. They formed the basis of the plans for the welfare state after the Second World War, but the collectivist way in which they were implemented did not reflect the wishes of Beveridge or of Liberal Democrats today. These ideas have come under severe attack since the late 1970s, but they have shaped the economic climate and are important for an understanding of our present position.

2.3 The Impact of the Post-1945 Consensus

2.3.1 Key aspects of today's Liberal Democracy are rooted in developments in politics between 1945 and 1979 and our analysis of the state of the UK during that period. In the post-war era, the UK rapidly became more prosperous, but lagged behind other industrial economies as both Labour and Conservative Governments failed to make the changes needed to modernise the economy and invest for the long-term. Economic policy was characterised by “stop-go”, “boom-bust” measures, designed to win elections rather than advance the country's long-term economic interests. Both parties vacillated for far too long over trying to get the UK into Europe. Industry suffered from “confrontation politics” as both parties tried to tilt the legal balance in favour of its own supporters. Successive prices and incomes policies proved disastrous. The result was the Heath Government's confrontation with the miners in 1973/4 and the Callaghan Government's winter of discontent in 1978/9. As these parties tried to pursue unlimited economic growth, sustainable quality of life was placed at risk as economic policies paid no regard for their environmental consequences.

2.3.2 During this period a key figure was Jo Grimond, leader of the Liberal Party from 1956 to 1967, who had a significant impact on late twentieth century Liberal political philosophy. He became leader of the party at a time when Liberal fortunes were at their worst, and through his advocacy of a radical non-socialist alternative to Conservatism he managed to set in motion the Liberal revival. In 1959 he

laid out his vision for a Liberal Britain in his book, *The Liberal Future*. He argued the case for a society in which the worth of every person, and their right to go their own way, is valued. In such a society, people would have the power to form their own associations independent of the state, thus making the individual paramount. However, he maintained an emphasis on the importance of individuals working in conjunction with other individuals. The opposite of such a liberal society would be one in which people are equal to the point of sameness. This might be because of crippling poverty or it might be because everyone has the same nice car and comfortable house, but it is still “the full horror of the equality of universal sameness”. All that government needs to do, therefore, is to enable society to function. Grimond quotes Burke; “*Government is a contrivance of human wisdom to satisfy human want.*” When government does not meet or goes beyond that boundary, it is inappropriate. Grimond was also concerned that economics should be seen as a means and never as an end, as whilst free enterprise is usually the method which best enables people to take charge of their lives, this should not be the only option.

2.3.3 Consciously or not, Grimond followed in the tradition of F.A. Hayek, who was never associated with the British Liberal Party, whose *Road to Serfdom* but warned of the destruction of liberty by Socialist planning and asserted the significance of widespread private ownership of property as a bulwark of freedom.

2.3.4 A further key development in Liberal thought at this time was Isaiah Berlin's 1958 lecture “*Two Concepts of Liberty*”. In this he drew a distinction between positive and

negative liberty. He described negative liberty as curbing state authority, leaving individuals alone to do as they want, whereas positive liberty involves using political power to emancipate. In practice this has often meant the state deciding what is best for individuals and legislating to achieve this. Whilst Berlin was not involved in party politics, his analysis is firmly in the Liberal tradition.

2.3.5 The late 1960s and the 1970s saw the development of the theory and practice of community politics. Drawing from experience in trying to get their voices heard in local politics and from radical theories in different countries, many in the Liberal Party found community politics, with its emphasis on empowering people in local communities to take power in decisions which affected their lives, not only provided a philosophical basis to their campaigning, but also helped bring electoral success at local government level. Many became active in the Liberal party because they were attracted by this philosophy of empowerment.

2.3.6 In the 1970s E. F. Schumacher's thinking had an impact upon the development of some strands of Liberal Democrat thought. In 1973 he published *Small is Beautiful*, looking at the economic structure of the western world. This book has influenced much debate about community politics and ecological technology, in particular through its advocacy of smaller working units, communal ownership and regional workplaces, and its emphasis on the importance of local labour and resources in production.

2.3.7 Another group whose thinking was influential within Liberalism at this time was the Unservile State

Group. Whilst not officially affiliated to the Liberal Party, the membership included at various times Jo Grimond, Elliott Dodds, Richard Wainwright, Nancy Seear, Russell Johnston, William Wallace and several other well-known Liberal Party figures. The group, formed in 1953, set out to propagate radical liberal ideas. The Group's emphasis on the value of co-operation and mutuality, and their insistence on the many benefits for Britain of further European integration have been very influential in the direction of the party. They also focused on the need to reduce bureaucracy, and on the dangers of excessive bureaucracy, and their ideas in this direction were most strongly articulated by Jo Grimond. Their exploration of alternatives to state bureaucracy and state ownership, particularly developed by Alan Peacock was not followed through by Liberals to the same extent and found more furrow with some Conservatives, who pursued it without its essential underpinning of Liberal values.

2.4 The 1980s and 1990s

2.4.1 Events in the 1980s and 1990s have also had a profound influence on Liberal Democracy. During these years, some factors making us less efficient, such as very high rates of income tax, and excessive union power were swept away. However, some of the changes carried a heavy price, and as indirect taxation took over from direct taxation, hitting the poor hardest, the gap between the rich and the poor grew wider.

2.4.2 Civil society and the sense of community were undermined, and people suffered as personal insecurity increased and crime rates doubled.

Basic social needs went unmet as the Conservatives allowed spending on public services to fall behind what the country needed. New bureaucracies, most notably in health, added to costs but did not improve patient care. Despite the reforms that were made, the Conservatives undermined the economy by failing to invest in Britain's long-term economic health, particularly in its infrastructure and fields such as public transport. Much of the privatisation programme was either misconceived or badly executed, with disastrous results for the railways and disruption in other industries. Stop-go economic policies continued and the UK's record in growth, manufacturing investment and innovation remained poor. They failed to invest sufficiently in school education, which is essential for building a strong, modern economy and giving people opportunities, whilst instituting targets and league tables which distracted attention from the quality of education which individual children were receiving.

2.4.3 The Conservatives chipped away at people's civil liberties and failed to tackle environmental problems. When John Major left office, education standards were still scandalously low and the general labour force was underskilled.

2.4.4 From the 1970s on, both the Labour and Conservative parties presided over a steady loss of confidence in the system of Government, but it was the sleaze surrounding the Major Government and the Conservatives' broken promises which took public confidence to a new low, just as centralisation and a lack of accountability created a feeling of political alienation.

2.4.5 So Liberal Democrats welcomed the defeat of the Conservative Party in 1997, but Labour in office proved to be a disappointment even to the party's own supporters. Health and education have continued to suffer as Labour locked themselves into Conservative spending plans for the first three years. The Prime Minister declared transport to be "not a priority" with the result that the railways are in chaos and the roads are more congested than ever.

2.4.6 In its first term, Labour was notably mean towards lone parents and pensioners, discouraged many poorer students from going to university by establishing tuition fees, failed to invest in schools and the health service, and allowed a severe decline in the number of police officers.

2.4.7 While the UK moved closer to the centre stage in Europe, the Prime Minister has consistently failed to show political leadership over the single currency. Some welcome constitutional reforms have been made, such as devolution for Scotland and Wales and a form of proportional representation for European Parliament elections, but Labour has shown marked reluctance to reform the House of Lords, and broke its 1997 promise to allow people to decide whether to have a fair voting system for the House of Commons. There has been a continued erosion of faith in the political system, resulting in a 59.4% turnout in the 2001 General Election, down from 71.4% in 1997. We have a political system which gives large majorities to governments which never gained the support of the majority of voters. This has provoked a situation in which there is no incentive to reach consensus, so legislation is divisive, governments become arrogant and open to corruption, and large sections

of the population feel that they can make no difference to the running of their country. Liberal Democrats have consistently sought to change this system.

2.4.8 Liberal Democrats continue to draw on the work of people such as Mill, Hobhouse and Beveridge. However, new thinkers are still making an impact, particularly in relation to globalisation and the apparent breakdown of cohesive societies within nation states. Ralf Dahrendorf and Adair Turner have both addressed the move towards economic competitiveness, in the context of globalisation, as the paramount objective in society, and have tried to reconcile the positive aspects of this move with traditional and important liberal values. In 1996 in a speech to the British Academy, Dahrendorf looked at the aims of a civil and

cohesive society, personal liberty and prosperity, and set out a model whereby these could exist together in one society. In his book, *Just Capital*, Adair Turner looks at how we can combine economic dynamism with social inclusion and environmental responsibility. Both are attempting to resolve the apparent problem in societies the world over, that the pursuit of economic prosperity causes other goals, such as social inclusion or environmental responsibility, to be pushed to the sidelines. Or if those goals are not pushed to the sidelines, liberty suffers because the state enforces social inclusion at the expense of choice. The key to squaring this circle is rebuilding civic society – those relationships which do not need government to sustain them and which therefore strengthen freedom from government.

Challenges for Freedom Today: the International Context

3.1 Liberal Democrats seek to promote freedom, within nations and in a wider international context. We recognise that nations do not exist in a vacuum. Throughout history, events and processes well beyond national borders have affected them, and these have often created the dominant context in which domestic politics and society have developed. For example, sixteenth and seventeenth century Britain cannot be understood outside the context of the Reformation and the consequent debates and wars on the continent of Europe. The backdrop of revolution in both Europe and America heavily influenced late eighteenth and early nineteenth century Britain. Meanwhile, the post-1945 social democratic consensus can only be fully understood in the wider context of the struggle between communism and capitalism.

3.2 A focus on the UK is clearly important for a British political party, but Liberal Democrats regard rights and freedoms as international, and we believe that many problems faced by people in the UK cannot be solved unless problems throughout the world are addressed. That is why we need to consider the modern international context before we can turn to the situation within the UK today. The international background is vital to understanding the place of the UK and to recognising the constraints and pressures upon domestic policy making.

3.3 There is growing debate about the implications of globalisation and its impact on freedom. It includes widespread concern about the pressures on developing countries. It extends to both peaceful and violent demonstrations at world summits. It has profound consequences for the ways in which we deal with issues that have traditionally been the remit of the nation state.

3.4 Liberal Democrats welcome globalisation – in so far as it helps to break down barriers between cultures and peoples, and can significantly boost economic prosperity – because we are internationalists. Globalisation can assist in diminishing the capacity of the state to control or persecute its people, and so helps extend the global reach of universal human rights.

3.5 We also broadly welcome the benefits of free and global fair trade, although, just as the Liberal Democrat commitment to freedom includes a concern about the restrictions to freedom from poverty and disease so we recognise the real dangers which globalisation can accentuate. These include excessive commercial power falling into the hands of a few multinational corporations, and the potentially destructive environmental and social effects of unregulated commerce, particularly in the developing world.

3.6 In some ways, there is nothing new about globalisation. As far back as the mid-1920s, the Liberal economist Walter Layton pointed out that the world's peoples were becoming steadily 'interdependent' in areas such as economics and culture. Indeed, nineteenth century Liberals who campaigned against the Corn Laws saw their repeal quite explicitly as a means of bringing the peoples of the world together. But there are features of globalisation in the 21st century that are more rapid and more far-reaching than in previous times. There is a broader and deeper interdependency of people as globalisation across the economic, social and cultural spheres creates an ever denser net of transnational relationships which tend to marginalise national boundaries and institutions.

3.7 Globalisation has many positive aspects. There is a growth of global civil society, based on an increased worldwide recognition of human values and rights, and of global threats to humanity. There is a greater belief in the value of international collective action. Democracy, rather than authoritarian rule, is now widely accepted as the touchstone to political legitimacy. There is wider cultural discourse and even those who are very critical of globalisation often enjoy and make full use of its benefits, such as communication through the Internet and cheaper international travel.

3.8 Another benefit of globalisation is the increased cooperation between nations, particularly within international bodies such as the UN. The peacekeeping side to the UN's work is invaluable, but it does and should go much further than this. There is an important role for the UN in developing international law, creating international consensus and

channelling international resources to where they are most needed. This role has been too much reduced and burdened with bureaucracy and underfunding, but Liberal Democrats see the UN as a vital organisation which plays a central role in creating an international community.

3.9 A significant part of nations working together constructively is the increased recognition that rights are universal and that the nation state does not have unchallengeable licence to oppress or murder its citizens. For liberals, this concept is familiar – Gladstone demanded action to deal with the atrocities in Bulgaria – but for some it is new. It has been clearly if not always effectively recognised that states cannot engage in genocide without incurring intervention by the international community. It is increasingly recognised that gross human rights abuses within a country can justify at least political and economic sanctions, and in some circumstances military action. The international community is also beginning to develop, with difficulty, the concept of a "failed state" in which civil order and political structures have broken down, and anarchy is destroying the freedom of millions to the extent that external intervention has to be considered. Freedom, to liberals, is the birthright of individuals, not of states, dictators or warlords.

3.10 At the same time, Liberal Democrats recognise that globalisation creates serious political, economic and social imbalances. There is increased alienation as millions of people, especially in the developing world, are left largely untouched by its benefits, and feel powerless to influence it. National political institutions are increasingly powerless to affect the forces of globalisation. Monopolistic

global media ownership is also an increasing source of anxiety. The terms of international trade, far from being truly global, are still skewed heavily in favour of the interests of the developed world, and are not yet providing the opportunities to developing countries to trade their way to prosperity. Multi-national companies often have the legal and political resources to overpower those who challenge them on behalf of small producers or threatened communities. That is why freer and fairer trade must be extended to demolish the protectionism of wealthy nations which is still penalising the global poor.

3.11 The inability of the UK's political institutions to influence the forces of globalisation is a primary source of domestic political alienation. A great many people do not feel that the main decision-making institutions reflect their needs or concerns. Liberal Democrats attach such importance to the difficult task of making the international institutions which have to make these decisions more effectively democratic, open and responsive, whether at European level or at the level of world-wide bodies like the WTO.

3.12 Alienation with the perceived forces of globalisation has also caused some groups to band together in a defensive response because they feel that their values and identity are threatened. This has been one of the contributory factors in the growth of violent religious fundamentalism, ethnic nationalism and separatism. Religious fundamentalism, for example, was part of the context of the terrorist attacks on Washington and New York on 11th September 2001.

3.13 The development of international terrorism is itself both an

aspect of globalisation – often making use of global communication technology – and a challenge to the international community to develop structures through which terrorism can be prevented by means which carry wide support. Terrorism anywhere is an attack on the freedom of individuals, whether it is perpetrated by conventional terrorists or governments using terror against civilians. Freedom is at risk if the international community fails to deal with terrorists, but also if they fail to tackle the problems that terrorism feeds upon.

3.14 Modern globalisation is also marked by acute volatility in the world's powerful financial and currency markets. The liberalisation of capital movements, and the extraordinary size and economic power of financial markets, is one of the distinguishing features of modern globalisation. The reach of financial markets means that economic crises are communicated more quickly from one country or region to another, as markets react – and often over-react – by removing or investing enormous sums at lightning speed. The rapid movement of capital on the world's markets can severely destabilise and disrupt national economies, leading to a spiral of lost confidence and diminished credibility.

3.15 For those reasons, we need to see markets and trading as means to an end and not an end in themselves. As internationalists, Liberal Democrats also look to a new generation of international bodies like the European Union that are powerful enough to tackle intractable international problems and set a framework of law for globalisation. Globalisation should not be a state of economic international lawlessness. Rather, Liberal Democrats

strive to develop and support the international institutions with the power and reach to frame globalisation to make sure that the values of environmental sustainability, democratic choice, and social justice are sustained.

3.16 Globalisation has also been accompanied by a growth in transnational crime. Increased ease of communication and travel between countries has facilitated the growth of transnational criminal cartels. These cannot be tackled without the aid of transnational or international bodies.

3.17 Therefore Liberal Democrats must act to promote the best aspects of globalisation whilst working to counteract its negative effects. This must mean putting in place the checks and balances which can control it and mean that people across the world are

able to benefit from the positive social and economic effects of globalisation.

3.18 A key part of this is to recognise and welcome the fact that, alongside globalisation, there is a simultaneous process of localisation, in which people are less concerned about their place in the nation state, and look increasingly for their identity to local or regional communities. We recognise that ideas of what constitutes a community are continuing to change, and that – driven by the Internet – many ‘communities’ are not primarily geographical. But geographical communities have the potential to balance the excesses of the global economy, by using local resources for local production and by building a caring neighbourhood that can make it easier for people to feel part of society and cut crime and alienation.

Challenges for Freedom Today: the UK Context

4.1 Whilst it can be easy to see British society as failing in a number of ways, there are many reasons to be positive. Before analysing the negative side of the balance sheet, it is worth remembering some of the good things. The UK is vastly richer now than it was in 1950. People can realise goals that could have been no more than dreams a half century ago. Many enjoy foreign holidays, warmer houses, and longer life expectancy than ever before, as economic freedom grows ever larger. The last fifty years have also seen a rise in female economic emancipation, to match the political emancipation before the war. Women engage in more paid work, there has been a rise in the acceptability of different household forms, and the tax system now treats women equally to men. That rise in economic emancipation has a parallel in social emancipation, with a decline in sexist attitudes to the role of women in society. The benefits of having people of other nationalities and ethnicities in our society are beginning to be better recognised. A change in national consciousness has gone some way towards pushing overt racism to the margins, although it is still a dangerous force.

4.2 As a result of these changes, the UK is a largely open society where upward social mobility is possible for most people. But that can only happen when people have the basic opportunities offered by good schools, quality healthcare and strong support from their communities. The reality is

that too many people still face limits to their freedom to develop as individuals. There are still divisions in our society that deny people opportunities that others enjoy and limit their chances in life.

4.3 In analysing these issues, Liberal Democrats see people primarily as individuals. We do not seek to label people by their membership of particular groups within society. Moreover, we believe that people are less likely than in previous times to define themselves solely as members of a particular group, as people are increasingly likely to have multiple affiliations which have an impact on the way they see their identity. Nevertheless, it is useful to analyse trends in terms of the problems that people face, and how these relate to particular backgrounds or life experiences.

4.4 A major source of division relates to the socio-economic background from which people come. This is one of the major factors determining their life chances. In general, children who are born into more affluent homes do better at school and even receive a better education than those who are born into deprived homes. This serves to exacerbate the cycle of social exclusion. The old ideal that education should be a ladder out of poverty is still relevant, but inequalities within the education system mean that it is not serving the most socially excluded children. Research by the Cabinet

Office shows that chances of upward social mobility after leaving full-time education are diminishing. This makes educational attainment an even more important determinant of life chances than in past decades.

4.5 There are also great disparities between different parts of the country. Communities and neighbourhoods play a large part in deepening social divisions, both by emphasising wealth and success and by adding to social exclusion. The poorest areas are more likely to have failing schools and poorer services in general. There are fewer GPs per head of the population in the most deprived areas of the country than there are in more affluent areas. In addition, these areas are characterised by poor access to information technology, and financial and legal services, while environmental problems such as pollution tend to be worse in economically poorer areas. In addition to the divisions within local communities and neighbourhoods, there is a level of regional exclusion in some parts of the country.

4.6 One of the clearest divisions in our society relates to people's ethnic backgrounds. Higher proportions of ethnic minority families live in overcrowded housing than do white families, and high proportions of black and Bangladeshi families live in social housing. Young Caribbean men are more than twice as likely to be unemployed as young white men. People from ethnic minorities generally are more likely to be unemployed than white people, regardless of their age, sex, or qualifications. People from Pakistani, Bangladeshi or Caribbean origins are also more likely to report suffering ill health, which can be indicative of many wider problems of social

exclusion. However, experiences of different ethnic minority groups vary and the danger of over-generalisation should be avoided.

4.7 Despite the gains that they have made, women still do not enjoy the same opportunities as men. Half the workforce, but only 28 per cent of executives are women. The average hourly rate for women who work full time is 80 percent of that for men. Forty-five per cent of women have a weekly income of less than £100 per week, compared with 20 per cent of men. Women are still responsible for the great majority of care for children and other dependents. Ensuring the existence of good and affordable childcare is directly relevant to the freedom of women in the workplace. Women also tend to suffer worse health than men (although they enjoy longer life expectancy).

4.8 Many older people are experiencing greater financial difficulties. In February 1999 approximately 15 per cent of those aged over 60 were receiving Income Support. But the Department for Social Security estimated that over a quarter of those eligible do not receive benefits. In addition, older people are less likely to have amenities such as central heating and washing machines. Older people are widely discriminated against in employment, and many feel undervalued or rejected when they have skills and experience to offer.

4.9 Social exclusion of people with disabilities is deeply ingrained in our society. There is still a fatalistic belief that disability must result in a lower standard of living, reduced social life, lower educational targets and worse job prospects. It is assumed that lack of adequate transport and physical barriers to access, however regrettable,

will happen. There is a sympathetic but patronising assumption that people with disabilities will inevitably be dependent on carers and society.

4.10 The freedom of lesbian, gay and bisexual people has been greatly enhanced in recent decades as legal and social hostility has shifted at least towards tolerance, although clear inequalities remain, including explicit legal discrimination. The lack of legal protection from being sacked purely on grounds of sexual orientation makes many extremely vulnerable. Homophobic bullying and violence make a major impact not just on those who experience it, but on those who fear that they could become victims. Many social and financial provisions which are available to most of society are denied to lesbian, gay and bisexual people by not allowing any form of legal recognition of same-sex relationships. Transsexuals suffer particular disadvantage through the fact that birth certificates are often required as a means of identification,

yet they record physical gender at birth and cannot take account of changes to physical gender.

4.11 There are no easy answers to some of the problems of social exclusion, but we need to tackle its causes. Countries that spend slightly more on their public services than the UK tend to receive better services and have lower levels of social exclusion. In other words, greater investment in health, education and other public services is vital if we are to enhance people's freedoms. This does not mean that we favour centralised, 'top-down' solutions. Nor do we favour a level of state involvement in the economy and society so great that it in fact erodes freedoms. Liberal Democrats believe in an enabling state that is more accountable to its citizens. We want to guarantee the rights of individuals. And we recognise that sustainable solutions to social exclusion must be founded on a strong, efficient economy. It is to these principles that we now turn.

Promoting Freedom

5.0.1 We believe that the statement of the Party's principles in the Preamble to the Party Constitution is as valid today as when it was written in 1988 (see Appendix). It states that: *"The Liberal Democrats exist to build and safeguard a fair, free and open society, in which we seek to balance the fundamental values of liberty, equality and community, and in which no-one shall be enslaved by poverty, ignorance or conformity."* This is a clear statement of the interrelationship between the issues of liberty and equality and is highly relevant to the challenges we have outlined in the previous chapters both nationally and internationally.

5.0.2 That approach was further developed in our 2001 general election manifesto, which was built around the idea of 'Freedom', underpinned by 'Justice' and 'Honesty'. The freedom theme was developed in full in the pre-manifesto of September 2000. Charles Kennedy's introduction presented the idea in three ways:

"First, freedom is about promoting independence for individuals and communities. That means a distinct shift of power from today's over-centralised and authoritarian state, to decentralised decision-making. Doing that promotes trust between government and people. It pushes responsibility and accountability down not only to local government but also to the individual teacher, doctor, hospital administrator and other public servants, so that they can get on with what they do best – doing their job well.

"Second, freedom equals fairness. I want to see social justice in Britain. That means a massive attack

on poverty, both by helping those who are most in need, such as pensioners and disabled people, and by providing real equality of opportunity through education, health and housing programmes which help the disadvantaged to escape from poverty.

"Third, freedom means caring for the environment in everything that we do – which is why you will find policies for green action in every section of Freedom in a Liberal Society. I believe that everyone should recognise the fragility of the environment and the impossibility of maintaining current lifestyles without damaging it. Government, in this respect, can set the framework - we will provide good, efficient and cheap public transport; we will help insulate homes; we will encourage re-use and recycling; and we will make the polluter pay - but ultimately it is up to the individual to respond."

5.0.3 In the next decade, we believe that these principles can be further developed by focusing on the following issues: an enabling state; individual rights; open markets; civil society; and sustainability.

5.1 The Enabling State

5.1.1 Government can play an enabling role, creating opportunity, providing security and restraining those who are trying to restrict others' freedoms. It must be so structured as to guard against the unrestrained exercise of both political power and economic power. That means ensuring that it is clear where power lies, and that it can be checked by an accountable body. We regard one of our major challenges as finding ways of making all the

constellations of power, at their many different levels, open and accountable.

5.1.2 It is our view of government as essentially an enabling force which leads us to oppose so much of the centralisation which is present in the UK today. This is not only seen in the running of public services, however, but also in the electoral system, the bedrock of our democracy. At the moment one chamber of the legislature is not elected at all, and the other chamber is elected by a system which can return a government with about two-thirds of the seats in the House of Commons when they received well under half the votes cast. This does not reflect the will of the British people, and it therefore takes power and responsibility away from the people.

5.1.3 The UK state still requires major reforms if it is to become an enabling state – a state that is creative and liberating, not sluggish and controlling. At present, despite changes that have taken place since 1997, the government in the UK remains overcentralised, overweening, secretive, and unresponsive to public will.

5.1.4 Liberal Democrats believe that there is a need for radical change in the UK constitution. We do not believe that the size of government is in itself a problem. A government which does not provide a good police or defence force or which cannot provide even basic health or education services may present threats to liberty just as much as one which tries to control every aspect of its citizens' lives. However, whilst there is no direct correlation between big government and a diminution of civil liberties, big bureaucracy can of itself be a threat to liberty because it becomes all pervasive and self-perpetuating.

Having many different levels of government dissipates some of this threat, as it prevents people being beholden to one central power. It is in this context that our constitutional proposals are so important.

5.1.5 We believe that government will be most enabling when it operates at the most local level possible. That often means devolution to the nations and regions of the UK, or wherever possible, local government. But many issues, such as the environment and trade, require international co-operation, as national communities are unable to tackle these problems alone.

5.1.6 To reduce centralisation, there needs to be democratic devolution to the English regions, and further devolution to the nations of the UK. We prefer to limit the role of central government in public services to determining minimum standards and promoting good practice. This would enable the creation of sets of standards which reflect the needs, strengths and weaknesses of different areas and are relevant to the people to whom they will apply.

5.1.7 To tackle secrecy there needs to be stronger Freedom of Information legislation. To make government more responsive to the will of the public, and to promote a sense of connection between the public and politicians, there must be reform of the voting system for parliamentary elections. Before the state can be genuinely enabling, all of these constitutional changes must be made.

5.1.8 Such constitutional changes should not be limited to the UK. We believe that only by sharing sovereignty is it possible for nations to control their own affairs on a wide range of matters, and we therefore

welcome the enhancement of democratic effectiveness which shared sovereignty can bring in those issues which need to be decided at European level, but it requires a strengthening of Europe's democratic structures. But for the European Union to work effectively, and to be in touch with the people of Europe, there needs to be greater control and accountability of unelected people by those elected to the European Parliament. We also believe that only through membership of the euro can the UK enjoy the full benefits of EU membership and be in a position to exert maximum influence on the affairs of the EU.

5.1.9 A key part of building an enabling state is ensuring that it has the resources to work creatively for the community. That is where taxation comes in. We recognise that taxation can be seen as a limit on freedom as it prevents people from choosing to spend every part of their income as they would wish. This is a case of balancing liberties, however, and we believe that it is worth paying for the protection of basic liberties through policing and defence, and to enhance liberty through provision for healthcare and education. So a measure of taxation is one of the obligations of a civilised society, and is the best way to provide the good health and good education which allows people to enjoy greater opportunities and liberties.

5.2 Individual Rights

5.2.1 In the context of an enabling state, the rights of individuals have to be guaranteed. So a crucial issue for Liberal Democrats in the twenty-first century is how far rights are currently guaranteed, and whether the concept of rights needs further development.

5.2.2 Traditionally rights were conceived simply as the absence of the most obvious forms of state oppression in the field of civil rights, for example, arrest without charge, or torture. A more positive view extended rights to the political sphere, for example, the right to vote and to stand for election. The idea of social rights has gained currency during the last century, so that members of the general public talk about their *right* to a decent education, rather than seeing education as a positive liberty. Therefore people now refer to different groups of rights, which may be equal in their perceived importance, but which are different in nature. The first group are readily justiciable rights, which the state can legislate to provide, including the fundamental rights to freedom of speech, freedom of movement, freedom of worship, and other basic human rights. Those in the second group are policy commitments, such as the provision of public services. As Liberal Democrats we are committed to using the political process to ensure excellent public services, but we realise that allocating the resources to achieve this is a matter for political debate and discussion.

5.2.3 The language of rights is problematic in policy areas such as the public services, therefore, because they have substantial resource implications. It is often not helpful in resolving conflicting priorities for the use of scarce resources to talk about rights, because it becomes extremely difficult to guarantee them in a way that does not involve either excessive central government prescription of rights, or limitless resources. It is possible to envisage a very poor society which maintained and prized basic civil rights but lacked the resources to fund some of the public services we take for granted such as free education. We

therefore believe that the language of rights is not appropriate in areas such as public services where people's entitlement to those services is dependent upon resources. It is our declared policy to will the resources to extend that entitlement to all in perpetuity, but we have to recognise that this is affected by factors outside our control, and so we cannot see them as simple rights.

5.2.4 Some people make the concept of rights dependent on that of responsibilities. Liberal Democrats reject this. We welcome and encourage social responsibility, and we seek to encourage people to exercise responsibility by distributing power widely, but we do not regard rights as contingent upon it. A right is something which is accorded to everyone, regardless of their views, background or lifestyle. Policy commitments such as the provision of public services may be dependent upon the responsibility of some to pay taxes, for example, but everyone receives the benefits brought by those taxes. If a right is dependent upon a particular form of behaviour, the state thereby acquires the ability to withhold that right on a subjective basis, and it is no longer a right. If a right, such as liberty, is to be withheld for the protection of the public, we expect that decision to be in a fair judicial process founded upon just laws.

5.3 Open Markets

5.3.1 Liberal Democrats believe that a central aim of government in the economic sphere should be to maintain a framework that encourages the creation of wealth, in other words creating a better standard of living and using resources sustainably. Wealth creation is often best encouraged through markets which liberate the

energies and talents of individuals. We believe that in the economy, markets are generally the most effective way of giving individuals more control over their lives, and delivering higher living standards.

5.3.2 One of the strengths of markets is to facilitate the movement of resources from what is less popular to what is more popular. For this reason, they are the best way to make sure that key parts of the economy produce the services or goods that people want, rather than those that the state decides people should have. Markets can also facilitate competition, and give the consumer more choice, so long as monopolies are avoided. Markets can stimulate innovation and the development of new technologies. And they can create an environment where employees and consumers are valued because that is the way entrepreneurs can give the best results.

5.3.3 If they are to work, markets need an economic environment that is consistent and predictable. Therefore, government must ensure that prices are stable, interest rates are low and that the public finances are managed responsibly. For this reason, Liberal Democrats were the first party to advocate freeing the Bank of England from political interference, with a clear mandate to keep inflation low. Similarly, we would enable British entry into the euro, subject to the decision of the British people in a referendum. Membership of the euro at a competitive and sustainable rate would end exchange rate instability and safeguard investment in jobs.

5.3.4 At the same time, we recognise that markets are subject to major flaws and dangers. Where these occur, government action is needed to safeguard people's freedoms; where

market flaws are worse than the effects of government intervention, those flaws are corrected. For example, the existence of a market affords no guarantee that it will remain open and free. In other words, the operation of the market may lead to situations in which people have fewer choices or companies' incentives to innovate are eroded. Therefore, Liberal Democrats seek tough legislation to prevent monopolies, cartels and other market distortions.

5.3.5 Markets, on their own, will not provide some of the requirements that are fundamental to the liberty of present or future generations. They do not take account of the way in which individual consumption may affect others. Changing customer preference might lead the market to abandon or destroy a building whose presence was valued for its beauty or history by others in the community. A company may try to increase profits by using technologies or chemicals that are dangerous to the wider community. Heavy use of petrol by a large number of people worsens global warming which will limit the freedom of others. The market may exacerbate this effect if competition brings down the price of the fuel.

5.3.6 For Liberal Democrats, action to ensure environmental sustainability is a major priority for government. This may take the form of regulations. The statutory pollution control regime, for instance, should be fully implemented and enforced. And we support the introduction of legislation on corporate environmental liability. But government should also use fiscal measures to ensure that the environment is taken into consideration when market decisions are taken. For example, Liberal Democrats favour introducing

incentives to encourage people to switch to less polluting vehicles, and so we propose replacing the climate change levy with a carbon tax.

5.3.7 Taxes also have a legitimate role in promoting a fairer society. A further flaw of markets is that they do not prevent concentrations of wealth or guarantee incomes adequate to enable people to make choices or have access to the political process. Liberal Democrats believe that an important role of government is to remove barriers to freedom, which arise from poverty, lack of opportunity, and disadvantage. It may do this through expenditure on public services, such as health and education, which it may provide itself, or in some instances, purchase from other providers.

5.3.8 As part of government expenditure, taxes can be used to redistribute wealth from individuals or communities to other individuals or communities. And we should have a progressive tax system in which we demand a greater contribution from those with a greater ability to pay.

5.3.9 Like most other government functions there are dangers implicit here which we need to address. Government at its various levels needs adequate taxation to fund good schools and teachers, quality health care, adequate benefits to help people in need, to defend the country, to protect the safety of the public and to meet other needs such as international development. However, excessive taxation can penalise success and discourage enterprise. Government should take only what is needed, and taxes should be determined through open democratic processes by bodies, national or local, which are accountable to the electorate. And wherever new taxes are introduced, or

different levels set, government must explain exactly why the changes are occurring, and where the new money is going.

5.3.10 Finally, markets cannot be responsible for deciding whether or not certain commodities are suitable for trade. Many people find the idea of trade in human organs distasteful, but the market left to itself will provide a marketplace for all saleable commodities. Therefore there is a place for government to regulate where markets are allowed to operate, but this should only occur where fundamental political or ethical principles are at stake.

5.4 Communities

5.4.1 The implementation of these ideas rests upon one further concept; that of communities. Liberal Democrats believe that people have social needs that are best met through membership of a community, and that individuals have interests which can best be served when individuals work together. Recognising that is a crucial part of empowering individuals, and of bringing governance back to the people it affects.

5.4.2 We define community in the broadest possible sense. In simple terms, a community is something in which people are interdependent. Traditionally, communities have been geographical, whether national, regional or local. But they may also be based around shared interests, beliefs or values, or around the workplace.

5.4.3 We believe that far from being a threat to society, the diversity of individuals which is brought out by allowing them to make their own decisions about their lives is an asset to strong communities – we would

therefore maximise this, not seek to legislate it away. We are instinctively worried by the danger of the state becoming a ‘nanny state’, and we do not believe the state should use its power to impose on people particular lifestyles which should be left to the conscience and choice of individuals. We are opposed to the state requiring people to act in particular ways, or to be part of particular communities.

5.4.4 In a society as diverse and multicultural as modern day Britain, it is hard if not impossible for there to be agreement about what constitutes a “good life”. The state cannot and should not impose a single view. Political institutions have to deal with a range of highly contentious issues from faith schools to abortion, embryo research and euthanasia. Strongly held religious or secularist views have to be tested against liberal principles of freedom, respect for others and protection of the weak in resolving them.

5.4.5 It is often said that communities have been eroded over the past half century. This may be true if communities are seen in their narrowest, most geographical form, partly due to changes in the workplace and the growth of private transport. Yet over that time people have created new and different communities, through their workplace, the Internet or other non-geographical interests and concerns. Unfortunately, the decline of geographical communities has reduced opportunities for people to work together on issues of local concern, to build social cohesion, and has limited the ability of people to influence services such as health and education which are provided mainly on a geographical basis. The new emphasis on geographical communities is a

response to this local alienation, loneliness and powerlessness.

5.4.6 The idea of voluntary action and mutual cooperation has always been a key element of liberalism. It guarantees the rights of people and communities to create their own solutions and it rests on the principle that individuals are the best people to make decisions about their own lives. This principle runs through all the work that we do in the community, as well as our policy. We want to see more people involved in government, at whatever level, because that is a prerequisite of good government. The more people who participate, the better things will be run, in business as well as politics. Top-down solutions will never work as well as those where the people affected are involved in developing and delivering them. This is why we favour cooperation and not isolation on an international stage. Ultimately we believe that individuals, not states, are sovereign, and that cooperation between individuals at local, national and international levels is both appropriate and helpful. So we also want to make it easier for people to work together locally to build a healthy civil society, to create local institutions to fulfil local needs, to challenge central government solutions, to innovate and to provide a local human alternative to distant bureaucratic services if they so wish.

5.4.7 But while we want to encourage community activity so that people take control over their own lives, we must also recognise people's right not to be involved in communities if they so choose. Illiberal communities can be oppressive, and participation should not be enforced by the state. Nor do we seek to enforce people's involvement in politics. Liberal Democrats aim to

create a tolerant liberal polity, not a society which forces everyone to live in what we might define as a liberal way.

5.4.8 A key aspect of individuals cooperating with each other is competition. Liberal Democrats believe that all competition has an important role in society - not just market competition, but competition between ideas - and that this competition is one of the guarantors of an open society. It means that established providers and established ideas are open to challenge. This idea was best articulated by Karl Popper in his *The Open Society and its Enemies* (1945), which set out the case that only societies open enough to ask questions and solve problems were likely to succeed.

5.4.9 We see liberal global order as celebrating diversity and pluralism. We recognise that cultural tradition and societal bonds are important sources of meaning in many people's lives. However, we do not believe that cultural tradition should be used as an argument for the infringement of human rights. It is also important that people are given the freedom to opt out of the cultural traditions into which they were born if they choose to do so.

5.5 Sustainability

5.5.1 Having taken the natural environment for granted for hundreds of years, people are now starting to realise that unless it is protected it will not survive healthily for many more hundreds of years. High concentrations of pollution since the Industrial Revolution have caused particular problems for climate, with the average temperature rising steadily and threatening many fragile eco-systems and potentially causing a disastrous

rise in sea levels. This endangers the freedom of future generations to enjoy the world and to use it well, and so Liberal Democrats want to act now to preserve our natural environment through sustainable practice.

5.5.2 There are a number of definitions of sustainability and sustainable development, the process by which society moves towards sustainability. One fundamental one, which we follow in most respects, is the Brundtland definition of *“development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”* In accepting this definition, however, it is necessary to be clear that we do not wish to imply that we should put the potential needs of the future above the needs of the present. Sustainable development is about achieving the ends of the present in a sustainable way so that they do not limit the choices of the future. It is not about complete limitation of our own choices. We also believe sustainability through sustainable development requires that:

- a) Resources are used in such a way that they can be replaced or substituted when necessary.
- b) Emissions are not created faster than the natural environment can absorb them or their harmful effects can be neutralised.
- c) Biodiversity is maintained at a healthy level.

5.5.3 These keys to sustainability are particularly necessary in the light of the various challenges that will face the UK environment in the future. At the moment, just 8% of waste is recycled, acute over-fishing is leading to a crisis in the fishing industry and almost half of the 50 species of bird

found on farmland have declined in number. Even more alarmingly, the Intergovernmental Panel on Climate Change has predicted that if no action is taken to limit greenhouse gas emissions, temperatures will rise in the region of 1-3.5% by the end of this century, the largest rise in temperature since the end of the Ice Age 10,000 years ago. If this change is not halted it will have a disastrous impact, as rising sea levels will swamp low lying land and increased temperatures across the world will affect wildlife and habitat. These changes disproportionately affect the poorest people in the world, as they do not have the resources to protect themselves against natural disasters and environmental change, and they are most dependent upon their immediate natural environment for their food.

5.5.4 However, it should not all be doom and gloom. We believe that if we do more to fit our activities within the overall limits of the planet's life support systems the future does not have to be bleak. Since the capacity of the Earth's support systems to tolerate damage are not well understood, we believe that there needs to be a greater sense of urgency about how we approach sustainability – and that where there is cause for uncertainty and doubt, a precautionary approach needs to be taken, whilst not preventing people living full lives in the present. Therefore we are keen to look at how new forms of technology are able to help make processes more sustainable. For example, the wider use of e-mail as a primary form of communication could be used to cut down on the amount of paper used in offices, which would have a beneficial effect upon the environment. It is by looking to technologies such as this, where general efficiency and sustainability meet, that a better way

forward for the environment may be found.

5.5.5 Liberal Democrats have always placed environmental sustainability at the heart of our policy programme. We want to see a society in which individuals and communities have the maximum degree of freedom to determine and pursue their own ends as best they can - but we know that a degraded natural environment places severe restraints on this freedom. It damages personal health and quality of life, it impoverishes economies and it weakens and occasionally destroys local communities. This is as true for future generations as it is for present ones. We also know that environmental regulations that do not specify particular solutions are also likely to promote innovation – which can be, in turn, the basis for whole new industries.

5.5.6 So not only do we propose policies that contribute to environmentally sustainable development, but every commitment we make is designed with an awareness of its impact on the ultimate

goal of sustainability. This is not an optional add-on, tacked on at the end of the existing policy platform; it is a core commitment. In the 2001 general election, that meant including policies for ‘Green Action’ in every section of our manifesto.

5.5.7 Growth may not be a problem in itself, however. The question is what kind of growth, what kind of resources, and whether they are used responsibly. Resources like human knowledge must be maximised, while the dwindling of raw materials – especially oil and water – is a major threat to future economic security and to peace, which is why sustainability must become a primary socio-economic objective. Liberal Democrats believe that acting sustainably must be about enhancing freedom, because it is about maximising future choices. That means that the shift to economic sustainability must be carried out in a way that is compatible as far as possible with individual liberty, must be by consent, and should be directed towards the achievement of a society that maximises choice and freedom.

Conclusion

6.1 It's about freedom. That one word is the clarion call for Liberal Democrats. Liberal Democrats believe that maximising personal freedom is fundamental to a liberal society. We believe that freedom means the opportunity to make the most of our lives, while recognising that our actions must not prevent others from sharing those opportunities and that we may need to take active steps to extend freedom to all.

6.2 A core aspect of our commitment to freedom is a commitment to civil rights, and that cause belongs to us more than to any other party. That means supporting fundamental civil rights to protect people from discrimination and abuses of power, and to safeguard freedom of speech and assembly. It also means putting forward policies to tackle day-to-day problems such as crime, which we see as a particularly pernicious threat to civil liberties.

6.3 But the freedom agenda is not confined to civil rights. Far from it. We believe that decent public services, like schools and hospitals, give people life chances and freedoms that would not exist for all if people were left to provide these for themselves. Meanwhile, we recognise that poverty is a major limit to freedom, so our policies for social justice, on issues such as pensions and benefits, are also aimed at promoting freedom.

6.4 The same can be said of our environmental policies. Effective green policies are about more choice, not less, positive gain, not pain. Crucially, we recognise the strong links between the environment and health. Without a

decent environment, it is impossible to provide high standards of health for all, let alone a healthy future, and real choice, for future generations. So action to protect the environment has to be central to a belief in freedom, both to ensure that people are not restricted by pollution, and to ensure that this generation's freedom is not achieved at the expense of future freedom.

6.5 Our traditional advocacy of constitutional reform is also rooted in our belief in freedom. Political reform, whether through devolution, freedom of information, or fair votes, spreads freedom because it gives individuals more power over government, and because it devolves power from Westminster to give communities more freedom to experiment and innovate.

6.6 Safeguarding the democratic process and the protection of individual rights require us to deny to governments – including Liberal Democrat governments – the unrestrained freedom of action which might make the delivery of policy objectives easier but which would ultimately rob individuals and communities of freedom and initiative.

6.7 This is all underpinned, of course, by our internationalist principles. Nations acting together have more power than those acting alone, and are therefore more able to tackle problems which restrict freedom, such as war, disease, poverty and pollution. That is why we are strong supporters of the United Nations. And that is why we believe that Europe is about more freedom for British citizens, not less.

6.8 The United Kingdom needs a vision for the twenty-first century and people want a sense of idealism restored to politics. The Liberal Democrats aim to deliver this by putting freedom first, and creating new

opportunities for every citizen in a liberal society. This is a distinctive agenda in British politics. The task for us now is to protect, promote and proclaim freedom at every opportunity.

Appendix:

Preamble to the Liberal Democrat Constitution

The Liberal Democrats exist to build and safeguard a fair, free and open society, in which we seek to balance the fundamental values of liberty, equality and community, and in which no-one shall be enslaved by poverty, ignorance or conformity. We champion the freedom, dignity and well-being of individuals, we acknowledge and respect their right to freedom of conscience and their right to develop their talents to the full. We aim to disperse power, to foster diversity and to nurture creativity. We believe that the role of the state is to enable all citizens to attain these ideals, to contribute fully to their communities and to take part in the decisions which affects their lives.

We look forward to a world in which all people share the same basic rights, in which they live together in peace and in which their different cultures will be able to develop freely. We believe that each generation is responsible for the fate of our planet and, by safeguarding the balance of nature and the environment, for the long term continuity of life in all its forms.

Upholding these values of individual and social justice, we reject all prejudice and discrimination based upon race, colour, religion, age disability, sex or sexual orientation and oppose all forms of entrenched privilege and inequality. Recognising that the quest for freedom and justice can never end, we promote human rights and open government, a sustainable economy which serves genuine need, public services of the highest quality, international action based on a recognition of the interdependence of all the world's peoples and responsible stewardship of the earth and its resources.

We believe that people should be involved in running their communities. We are determined to strengthen the democratic process and ensure that there is a just and representative system of government with effective Parliamentary institutions, freedom of information, decisions taken at the lowest practicable level and a fair voting system for all elections. We will at all times defend the right to speak, write, worship, associate and vote freely, and we will protect the right of citizens to enjoy privacy in their own lives and homes. We believe that sovereignty rests with the people and that authority in a democracy derives from the people. We therefore acknowledge their right to determine the form of government best suited to their needs and commit ourselves to the promotion of a democratic federal framework within which as much power as feasible is exercised by the nations and regions of the United Kingdom. We similarly commit ourselves to the promotion of a flourishing system of democratic local government in which decisions are taken and services delivered at the most local level which is viable.

We will foster a strong and sustainable economy which encourages the necessary wealth creating processes, develops and uses the skills of the people and works to the benefit of all, with a just distribution of the rewards of success. We want to see

democracy, participation and the co-operative principle in industry and commerce within a competitive environment in which the state allows the market to operate freely where possible but intervenes where necessary. We will promote scientific research and innovation and will harness technological change to human advantage.

We will work for a sense of partnership and community in all areas of life. We recognise that the independence of individuals is safeguarded by personal ownership of property, but that the market alone does not distribute wealth or income fairly. We support the widest possible distribution of wealth and promote the rights of all citizens to social provision and cultural activity. We seek to make public services responsive to the people they serve, to encourage variety and innovation within them to make them available on equal terms to all.

Our responsibility for justice and liberty cannot be confined by national boundaries; we are committed to fight poverty, oppression, hunger, ignorance, disease and aggression wherever they occur and to promote the free movement of ideas, people, goods and services. Setting aside national sovereignty when necessary, we will work with other countries towards an equitable and peaceful international order and a durable system of common security. Within the European Community we affirm the values of federalism and integration and work for unity based on these principles. We will contribute to the process of peace and disarmament, the elimination of world poverty and the collective safeguarding of democracy by playing a full and constructive role in international organisations which share similar aims and objectives. These are the conditions of liberty and social justice which it is the responsibility of each citizen and the duty of the state to protect and enlarge. The Liberal Democrats consist of women and men working together for the achievement of these aims.

This paper has been approved for debate by the Federal Conference by the Federal Policy Committee under the terms of Article 5.4 of the Federal Constitution. Within the policy-making procedure of the Liberal Democrats, the Federal Party determines the policy of the Party in those areas which might reasonably be expected to fall within the remit of the federal institutions in the context of a federal United Kingdom. The Party in England, the Scottish Liberal Democrats, the Welsh Liberal Democrats and the Northern Ireland Local Party determine the policy of the Party on all other issues, except that any or all of them may confer this power upon the Federal Party in any specified area or areas. If approved by Conference, this paper will form the policy of the Federal Party, except in appropriate areas where any national party policy would take precedence.

Many of the policy papers published by the Liberal Democrats imply modifications to existing government public expenditure priorities. We recognise that it may not be possible to achieve all these proposals in the lifetime of one Parliament. We intend to publish a costings programme, setting out our priorities across all policy areas, closer to the next general election.

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