

WE'VE ALREADY GOT THE IDEAS

Liberal policies in place over decades offer solutions to the crises of Brexit and inequality. so why won't the Lib Dems grasp them, asks Paul Hindley

Major car manufacturers have announced they are moving some of their production abroad; costing thousands of jobs. Business uncertainty is rife. The Good Friday Agreement is in jeopardy. There are fears of long delays at Dover. The Government is actively planning for food shortages and considering putting troops on the streets. Hatred and bigotry are on the rise. Extremist factions dominate the two largest parties. Parliamentary democracy is being attacked by the prime minister. Britain is a laughing stock on the global stage.

All herald the crisis of our current political age - Brexit. Brexit is the biggest crisis Britain has faced since 1945. It is upending the old politics of the 20th century. We are living through a real anti-establishment moment in our history. Elites are no longer trusted; political deference has gone out the window and there is great dissatisfaction with the status quo.

Dissatisfaction from the crisis caused by Brexit, but also dissatisfaction from long standing socio-economic inequalities and a decade of austerity. Brexit and inequality are stretching our democracy to breaking point.

But what is the driving force behind this anti-establishment politics? Where is it coming from? The answer to this lies mostly in the populist nationalist right and the Corbynite socialist left.

METROPOLITAN ELITE

This is odd when compared to Britain's political history. Historically, it was the Liberals and Liberal Democrats who were in the vanguard of Britain's anti-establishment politics; right-wing nationalists and staunch left-wing socialists were relegated to the extremes. Liberals once embodied radical political change and were a thorn in the side of the intransigence of the two-party system. Today, liberals are seldom seen as being against the elite and are more likely to be viewed as being part of a 'metropolitan elite'.

If ever there was an hour for a bold, radical, anti-establishment liberal vision, in order to tackle nationalism, extremist socialism and Brexit, this is it.

Some 'moderate' MPs from both the Labour and Conservative parties recently established The Independent Group (TIG), which at the time of writing had not become an official political party.

TIG's founding statement should be applauded. It is a masterclass in bland, boring, vacuous and banal centrism. Among its values are such vague platitudes as a "strong economy", "prosperous communities",

"the extension of opportunity" and "parliamentary democracy". It's motherhood without the apple pie. TIG is not the answer to the political prayers of this zeitgeist.

The emergence of TIG should not encourage the Lib Dems to become even more ideologically centrist and more remote from the concerns of voters. Quite the opposite.

The party should seize the political moment. The two biggest parties are dependent on the extremes of the past, while the new centrist movement, complete with all of its austerity apologists, is ill-equipped to meet any challenge beyond Brexit. Britain needs a progressive party with big ideas and that is avowedly opposed to Brexit. A party that seeks to remedy social injustice while delivering power to the powerless. Above all, a party that understands that the real mainstream is to be found in moving away from the status quo, not in propping it up. Only one party can fill this void, the Liberal Democrats.

Anyone who thinks that the Liberal Democrats are a centrist party should read the history of the party and its Liberal predecessors. The Liberal Party in the early twentieth century laid the foundations of the welfare state, legitimised collective bargaining rights and clipped the wings of the House of Lords. Through the People's Budget, the party established the concept of progressive taxation. The budget also initially included a land value tax. It was under David Lloyd George's premiership that universal male suffrage was achieved as well as the first voting rights for women.

During Lloyd George's period in opposition in the late 1920s, the party moved to adopting Keynesian economics. Under the slogan "We Can Conquer Unemployment" in 1929, the Liberals advocated a range of Keynesian economic policies, many inspired by John Maynard Keynes himself through his work in developing the party's industrial policy in the Yellow Book a few years earlier. The post-war consensus owes much to Keynes and to William Beveridge, who designed the modern welfare state.

It was in the 1960s and 1970s that the Liberal Party was at its most radical. The party advocated industrial democracy, workers' cooperatives and co-determination, corporate governance models that shared decision-making power between managers and workers.

The party of Jo Grimond was one that was committed to unilateral nuclear disarmament and he himself was not afraid to refer to syndicalism. During this period the 'red guard' leadership of the Young Liberals became even more radical; supporting libertarian socialism, while vehemently opposing the Vietnam

War, apartheid and even NATO.

The party of the 1960s was clearly left-wing. The party of the 2000s was the only major centre-left party on offer with Charles Kennedy supporting higher taxes for the rich, the abolition of tuition fees, free personal care for the elderly and of course, opposition to the war in Iraq.

The Liberal Party/

Liberal Democrats were to the left of Labour in the late 1920s, the mid-to late 1960s and the 2000s. We should examine the claim that British Liberals represent the centre of politics. When you examine the party pioneering Keynesianism in the late 1920s, the radicalism of the party in the 1960s, and the social liberalism of the Kennedy-era, it is difficult to conclude that the history of the Liberal Democrats is consistent with some vague lowest common denominator centrism.

Taking all this into account, it is extraordinary that the party has failed to realise that our current crisis is the moment for a radical liberal politics to challenge the Brexit establishment, not the moment for a centrist restatement of the status quo.

We must champion proportional representation at every opportunity. Now is the time to overhaul our political system and yet we are letting the moment pass us by.

If we are to tackle the root causes of Brexit, then we need to create a fairer welfare system. The party is already committed to reversing several welfare cuts and abolishing benefit sanctions, but yet again the party leadership is currently failing to champion these causes. And of course, if Britain does Brexit (assuming it hasn't happened by the time this is published), the Liberal Democrats must lead the rallying cry to re-join the European Union.

Building on its radical heritage, the party must seize the initiative and think big. We must capture the public's imagination, remedy the hardships of the present and establish a real alternative to Jeremy Corbyn's socialism and Brexit populist nationalism. What follows are five big ideas based on the liberal tradition that can help to achieve just that.

First, UK-Wide Trials of universal basic income (UBI), where every citizen receives a guaranteed minimum income from the state regardless of whether they are in work or not.

It recently got a trial run in Finland. Although the Finnish government decided to abandon the trial because it did not appear to improve the rate of getting people back into work; it was shown to greatly improve the health and well-being of those in receipt of UBI. A UK trial would have to be more comprehensive. UBI should not be treated like a generous out of work benefit, it is meant to be universal. A British UBI trial would have to be conducted across a wider cross-section of society. Only then will we be able to assess the true merits of UBI and hopefully determine how to roll it out more widely. Jane Dodds, the leader of the Welsh Liberal Democrats has already called for a UBI trial in Wales.

Second, universal inheritance, where every 25-year-old is given a one-off capital grant of £10,000. The principle behind the policy is to redress the wealth and ownership inequality between the generations. The Institute for Public Policy Research (IPPR) proposed in a report last year that a universal inheritance could

be funded by a sovereign wealth fund made up of assets from wealth taxes, the Crown Estate and the government's stake in RBS among other things.

CONSTITUTIONAL WEAKNESS

Third, we need a constitutional convention. If Brexit has shown us anything it is the constitutional weakness of our political system. Parliament remains in thrall to the executive, our party system is dysfunctional, the lack of constitutional safeguards is plain to see, and accountability is limited. Britain desperately needs a constitutional convention to rectify the weaknesses in our archaic political structure. It would bring together people and groups from across civil society and would hopefully result in a system of constitutional safeguards, a proportional voting system, democracy in the second chamber and a solution to the 'West Lothian Question' with a degree of federal autonomy for the English regions and the rest of the UK. It may even result in Britain finally having a codified constitution.

Fourth, there should be a green new deal. Inspired by the policy programme of Franklin D Roosevelt in the 1930s, this would combine two great liberal causes - tackling climate change and Keynesian economics.

It would support a raft of green project initiatives designed to increase our renewable energy sources as well as making the country more sustainable. This in turn would create green jobs and provide a large stimulus to the economy. It being promoted in the United States by progressive Democrats such as Presidential hopeful Senator, Elizabeth Warren and the left-wing Representative, Alexandria Ocasio-Cortez.

Finally we should revive co-determination, with workers on company boards.

The law should require that every British-based company with more than 1,000 employees must have at least one-third of its board made up of worker representatives. They should either be appointed after consultation with relevant trade unions or by introducing German-style works councils, which would appoint the worker representatives and be directly elected by employees. Forms of economic democracy are essential to bridging the divide between capital and labour. This would ensure a fairer, more democratic and more stable form of labour relations.

As Beveridge once said, "a revolutionary moment in history is a time for revolutions not for patching". Britain needs to see a liberal policy revolution. Our Brexit crisis demands just that. There is a real desire for something new to radically change politics, but TIG is not it.

Liberals have all the policy ideas they would ever need to solve the current crisis, which is about much more than just a referendum vote that happened three years ago. Now is the moment for a radical restatement of liberalism to overturn the failed status quo. Let's seize it.

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