

Liberal Democrat Consultation Paper

Agenda 2020

Consultation Paper 121



Autumn Conference 2015

Background

This consultation paper is presented as the first stage in the development of new Party policy in relation to philosophy and values. It does not represent agreed Party policy. It is designed to stimulate debate and discussion within the Party and outside; based on the response generated and on the deliberations of the working group a full policy paper will be drawn up and presented to Conference for debate.

The paper has been drawn up by a working group appointed by the Federal Policy Committee. Members of the group are prepared to speak on the paper to outside bodies and to discussion meetings organised within the Party.

Comments on the paper, and requests for speakers, should be addressed to: Christian Moon, Policy Unit, Liberal Democrats, 8 – 10 Great George Street, London, SW1P 3AE. Email: Christian.moon@libdems.org.uk.

Comments should reach us as soon as possible and no later than 9 November 2015.

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1. Introduction: Agenda 2020

1.1 This consultation paper is the first stage in the Federal Policy Committee's 'Agenda 2020' process, designed to provide a framework for the party's policy-making throughout the 2015–20 parliament. Through this exercise, we aim to describe the Liberal Democrats' core beliefs, values and approach, and then examine the challenges – political, economic, social, environmental and international – that the UK is likely to face and the government will need to respond to over the next five years. Over the parliament, we will apply the party's basic approach to these challenges to develop policy proposals for debate within the party.

1.2 The catastrophic result of the 2015 election makes this exercise even more valuable than the equivalent processes in 2005 and 2010. Given the election outcome, it is reasonable to consider, from first principles, what the Liberal Democrat approach has to offer in the circumstance of the new parliament. This is particularly appropriate given the large, and very welcome, increase in party membership since the election. We want to give all party members, new and old, an opportunity to discuss the party's core beliefs, values and approach.

1.3 This paper aims to provide a framework for that wide debate within the party. Section 2 offers a definition of the Liberal Democrat philosophy. The party has not set out its core beliefs in full since the 2002 paper, *It's About Freedom*; yet they provide the essential underpinning for our campaigning and policy-making, and deserve to be revisited. Section 3 summarises the key challenges the country will face over the next five years. A series of questions asks how best the party can use our values to address those challenges in this parliament and beyond.

1.4 Everything contained in this paper is open to discussion, and we hope that it will be used as widely as possible throughout the party.

We aim to encourage discussion in the following ways:

- A special section of the party website, at www.libdems.org.uk/agenda2020, has been established for any party member to post their response to this paper.
- Two consultative sessions at the federal conference in September will be devoted to discussion of the paper and related topics.
- We have commissioned opinion pieces from a number of party thinkers to provide a range of personal views of the party's values and approach; these will be made available before conference.
- We are organising an open essay competition: any party member is invited to submit an essay of no more than about 1,000 words, by 5 October, on 'What does it mean to be a Liberal Democrat today?'. For more details, see www.libdems.org.uk/agenda2020.
- The independent Liberal Democrat Voice website (www.libdemvoice.org) is also welcoming responses to the paper and contributions to the debate.
- We hope that state, regional and local parties and party organisations will organise discussion meetings round the topic, and we are happy to provide FPC members to speak at them, if desired.

1.5 In light of these wide discussions with party members, we will produce a full policy paper for debate next year, and set out a

programme of policy development for the FPC and the conference to follow for the next five years (though of course party members have the right to submit items for debate on conference on any topic they wish). More widely, we hope the renewed debate on the party's beliefs will serve to bring the whole party together, to inspire us and to help us better to persuade the country what liberalism is and what the Liberal Democrats are for.

2. The Liberal Democrat Philosophy

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 affect their lives.

Preamble to the constitution of the Liberal Democrats (first paragraph)

2.1 All political philosophies are based on a view of human nature. The Liberal Democrat view is an optimistic one. We believe in the essential goodness and improvability of humankind – that, given the opportunity, people will choose to do good rather than harm.

2.2 Liberal Democrats trust individuals to make their own decisions about how they live their lives; no one else, whether politicians, clerics or bureaucrats, can do so as effectively. The good society is therefore one in which each individual has the freedom to follow their own paths as they judge best.

2.3 “The only part of the conduct of any one, for which he is amenable to society,” wrote John Stuart Mill, the greatest of the Victorian Liberal thinkers, in *On Liberty*, “is that which concerns

others. In the part which merely concerns himself, his independence is, of right, absolute. Over himself, over his own body and mind, the individual is sovereign.” This belief, which goes to the core of the Liberal philosophy, is why *On Liberty* is the symbol of the Presidency of the Liberal Democrats, a copy being handed over to each new President at the start of their term of office.

2.4 It is the love of liberty above any other value that marks the liberal out as a liberal. It is why the last paper the party published on its core philosophy, in 2002, was called *It's About Freedom*. We believe in the right of people to pursue their dreams, to make the most of their talents and to live their lives as they wish.

2.5 Yet we also recognise that people’s ability to realise their own goals is critically affected by their circumstances. Poverty and ill-health, poor housing and a degraded environment, and a lack of education all limit an individual’s life chances and thereby restrict their capacity to be truly free. Social justice matters to Liberal Democrats; we believe that it is the role of the state to create the conditions in which individuals and their communities can flourish.

2.6 So government needs to provide decent public services and an adequate welfare safety net for those in need. In particular, we place priority on high-quality education, the enabler above all else in liberating people and ensuring that they can live their lives as they wish.

2.7 Essential though these are, by themselves they are not enough. Inequality itself undermines the ability of everyone, throughout society, to live a good life. The more unequal a society is the weaker it is: compared to its more equal counterparts, the citizens of an unequal society suffer from poorer health, lower educational attainments,

higher crime rates, and lower levels of trust and co-operation. Government is justified, therefore, in reducing inequalities in income and wealth – as Liberal Democrats in coalition did, for example, through raising the income tax threshold and closing tax loopholes for the rich – and to correct other examples of inequality, for example through our introduction of the Pupil Premium, providing extra resources for schools to teach pupils from poorer family backgrounds who lack the educational advantages enjoyed by children from better-off families.

2.8 This is one dimension of the Liberal Democrat commitment to equality: that, as far as possible, everyone should have the same opportunities to make what they want of their lives. The other dimension of equality is the right of everyone to be treated equally and with equal respect, whatever their personal characteristics, such as race, gender, nationality, way of life, beliefs or sexuality. ‘Equality before the law’ was one of the great rallying cries of the Whigs, our seventeenth- and eighteenth-century forebears; and 150 years ago, in one of the few feminist classics to be written by a man, *The Subjection of Women*, John Stuart Mill argued “that the principle which regulates the existing social relations between the two sexes – the legal subordination of one sex to another – is wrong in itself, and now one of the chief hindrances to human improvement”.

2.9 As Liberal Democrats we still pursue this quest for equality today – for example in legislating for same-sex marriage or in trying to close the gender and BAME pay gaps. We believe in the right of people to live their lives as they wish, free to say what they think and to protest against what they dislike, regardless of who disagrees with them, free of a controlling, intrusive state and of a stifling conformity. A free society that glories in diversity is a stronger society.

2.10 Individuals of course do not exist in isolation; we are all members of different communities, whether defined geographically or through work, interests or family. Communities enable individuals to join together in the pursuit of common goals or activities, in the defence of their views, or simply to enjoy each other's company; they are the main way through which people express their identity. We believe that government should act to encourage the development of thriving communities – decentralising power, for example through the establishment of local banks and community energy cooperatives, tenants' management of social housing, and mutual structures at work, employee participation and trade unions. We recognise, however, that communities can sometimes be illiberal and oppressive, restricting people's freedom in the name of tradition or culture or the pressure to conform. We believe in a tolerant and open society, in which every individual has a free choice of which communities, if any, to join or to leave and of what identity or identities to express.

2.11 In general, societies which base their economies on free markets and free trade are themselves freer and fairer: markets are almost always better than bureaucracies in matching demand and supply, allocating scarce resources and rewarding innovation and entrepreneurship. Yet there are many ways in which markets can fail. Large corporations too often abuse their power and are frequently incapable of self-regulation (as we saw in the banking crisis). Left to themselves, markets cannot provide public goods such as the protection of the natural environment. In some cases where markets could deliver services, outcomes may be more equitable if they are provided through non-market solutions – such as health care.

2.12 A liberal society therefore requires an active and interventionist state – to regulate markets, to deliver public goods and to adjust market outcomes to create a more equal society. Yet government

failure can be as much a threat as market failure: it is easy for governments to become remote and unresponsive to their citizens, to be intolerant of dissent and difference and to interfere increasingly in individuals' lives, for example in the name of national security.

2.13 Liberals approach this problem in two ways. First, by placing boundaries on the ability of governments – or corporations, or the media, or other individuals – to interfere in the lives of their citizens, through strong and effective codes of human rights and civil liberties and through upholding the rule of law free of arbitrary political interference. The presence of Liberal Democrats in coalition ensured that the Human Rights Act was retained, and that the Conservatives were prevented from introducing covert surveillance through the 'snoopers' charter'.

2.14 Second, by ensuring that state institutions are responsive to the needs and wishes of individuals. This includes ensuring that they function democratically – for example through scrapping the current voting system, which delivers governments which do not reflect the way in which people vote; through reforming party funding, to ensure that big business, or big unions, cannot buy the result; through replacing an appointed with an elected House of Lords; and through ending – as we did in coalition – Prime Ministers' power to call an election whenever they like, which usually benefits the Prime Minister's party. This also includes situating political power at the lowest level consistent with effective government, since the more local an institution is the more likely it is to be responsive to local needs and circumstances. This implies decentralising power to local government and to the nations and regions of the UK.

2.15 This approach is fundamental to a liberal society because for us, democracy is much more than just a mechanism for counting

votes. It means a spirit of equality, openness and debate, a coming together to decide our future fairly and freely, without being dominated by entrenched interests or the power of money. It means a system in which every citizen is empowered to make their voice heard and to participate in the decisions that shape their lives. A state that supports freedom has to be a democratic state, in which politics is not an activity confined to a tiny elite but something everyone can take part in, as and when they choose. As four-times Liberal Prime Minister William Gladstone put it, in the words inscribed in the entrance to the National Liberal Club: “The principle of Liberalism is trust in the people, qualified only by prudence. The principle of Toryism is mistrust of the people, qualified only by fear.”

2.16 More broadly, we aim to disperse power as widely as possible throughout society. This affects not just the institutions of government but many aspects of modern life, including access to justice; corporate governance, including the rights of employees and shareholders and the obligations of companies to local communities; and the distribution of media ownership. Every individual should have the right and the opportunity to challenge the abuse of power whoever or whatever it derives from.

2.17 There is no general answer to the question of how much government intervention is enough, or how big the state should be. This is because of the need to deal both with market failure and with government failure, and because the appropriate level of state involvement, and the size of the state, varies so widely over time and across areas of activity. Differences of opinion over this question lie at the root of the disagreements between ‘economic liberals’ and ‘social liberals’. Economic liberals (sometimes called ‘classical liberals’) emphasise the dangers of an over-mighty state, and prefer small and non-interventionist government, while ‘social liberals’ place more

stress on the need for state action, for example to redress inequality or tackle climate change, and therefore prefer more active and interventionist government, constrained primarily through decentralisation and instruments such as written constitutions. In reality, though, individual liberals' views range over a broad spectrum rather than being separated into two firm camps.

2.18 Since Liberal Democrats believe in the worth of every individual, we are internationalists from principle, rather than nationalists who define their nation or race in opposition to others and thrive on division and intolerance. We believe that the free movement of people and the free exchange of ideas, goods and services across national boundaries enriches people's lives, broadens their horizons and helps to bring communities together in shared understanding. And just as individuals' rights and relations are most effectively protected when they are underpinned by a system of law, so relations between the peoples of the world are most successful and fair when they are based on law, and a system which is as democratic as possible.

2.19 We are also internationalists for good pragmatic reasons, because some goals are too big for nation-states to achieve on their own: peace and security, climate change and a healthy environment, standing up to corporate power and spreading prosperity around the world. This is why we support the European project, not least because it has brought peace to a continent that has historically been wracked by war, and why we argue for effective international institutions such as the United Nations.

2.20 Our belief in the empowerment of individuals is not limited to the current generation; future generations have the same rights as we do to live their lives in the ways they choose. Climate change, pollution and the degradation of the natural world pose one of the

greatest threats to the well-being and to the freedom of future generations – and, increasingly, to our own lives – that modern society has ever seen. We need to act at home and internationally to promote environmentally sustainable ways of doing things – as did Liberal Democrats in coalition, in establishing the world’s first Green Investment Bank, supporting the growth of renewable energy and setting ambitious climate targets.

2.21 We recognise, of course, that some of these beliefs can conflict with others. When does an individual’s right to express their opinion cause harm to others? To what extent should government interfere in the rights of employers in order to protect the rights of their employees? When does government action to reduce inequality cease to be liberating and start to be unjust? There is no general answer to these questions; it depends on the particular circumstances of any given case. The resolution of these conflicts is the proper role of politics. So how we do our politics – our style and approach – is just as important as are our beliefs and values. This is why political parties feel very different from one another even when they support the same policies.

2.22 Liberal Democrats’ style, whether in government, in our local communities or within our own party, is to be this: instinctively on the side of the individual against concentrations of power, whether state or private; tolerant of differences and open to new thinking; pluralist, aware that we have no monopoly of wisdom, not afraid to work with others, seeking cooperation rather than confrontation; independent, free of vested interests or class bias; participatory, in our own organisation and operation; honest, not afraid to put forward unpopular policies; thoughtful, not dogmatic; and, finally – and perhaps most characteristically – free thinking, unimpressed by authority and unafraid to challenge the status quo.

Questions for discussion

1. Is this a good summary of Liberal Democrat values and beliefs and our approach?

2. If not, how would you change it?

3. Challenges and Opportunities

3.0.1 When the Liberal Democrats left office in May 2015 the economy was performing well, green industries were growing, inequality was being tackled, civil liberties were protected and the UK was playing a full part in the EU. What will politics be about over the next five years, with the Conservatives in government alone? What will be the key challenges – political, economic, environmental and social, domestic and international – that the UK and its government and political parties will have to face between now and the 2020 general election?

3.0.2 This section provides a brief overview of what we think will be the major issues to which we as a party will need to respond. Inevitably, it cannot cover everything, but we aim to focus on the most important challenges to our philosophical approach and policy-making (the Federal Executive is running a separate consultation exercise about the party's overall strategy).

3.1 The constitution and national identity

3.1.1 There is a widespread alienation from politics and a seemingly remote 'political elite' in Westminster. The ways in which political parties respond to these challenges are arguably as important as the ends they secure in policy terms.

3.1.2 The Scottish referendum of 2014 and the general election of 2015 highlighted deep divisions within the UK. While the referendum's 'no' vote ensured that the Kingdom remained united, relationships between and within the nations that comprise the UK are fragile. The voices of national and regional identity have also been fuelled by an

election result of historically unequal proportions. Conservative demands for ‘English votes for English laws’ and the forthcoming EU referendum may provide additional fuel for the voices of identity politics.

3.1.3 The Conservative version of localism, which is to decentralise more functions to local authorities without at the same time increasing their financing, is creating further challenges to social cohesion and the Liberal Democrat values of localism and trust in people. A fundamental review of the UK constitution is needed, not further incremental tinkering.

3.1.4 The growth of powerful multinational corporations poses a potential threat to the autonomy of nation-states, through their ability to direct investment into economies depending on their regulations and tax levels. The tendency of international trade and investment agreements to be negotiated in secret and to contain provisions such as investor-state dispute settlement poses a risk to the genuine benefits of liberalised trade by creating the perception that agreements such as the proposed EU–US Transatlantic Trade and Investment Partnership (TTIP) are really drawn up in the interests of corporations, not people.

3.2 The economy

3.2.1 Liberal Democrats drove constructive economic advances in coalition, including developing the green economy, reviving the UK’s manufacturing base, driving banking reform and laying the foundations for significant infrastructure developments. Challenges remain, however, especially to entrepreneurship, competitiveness and productivity, including a lack of basic skills amongst many school leavers and historic under-investment in research and development.

The new Conservative government has moved rapidly to dismantle many of the instruments Liberal Democrat ministers developed to support the green economy, placing at risk not only the UK's ability to meet its climate targets (particularly given their cheer-leading for fossil fuel extraction, such as fracking) but the future of one of the country's fastest growing industrial sectors.

3.2.2 The UK's position as a leading global financial centre is still a strength, but it will remain important to rebalance the economy, to reduce dependence on financial services and also to ensure that some parts of the country, notably London, do not overheat while others suffer from low employment and wages, with associated social consequences. It is unclear whether the development of the 'Northern Powerhouse' will be able to resolve such issues – and in any case the government already appears to be reneging on its promises made in this respect. Meanwhile, the reforms under way to make banking safer and improve corporate governance are by no means complete.

3.2.3 The UK and Sterling are affected by the policies and economic health of all continental-sized countries and currencies, not just the tribulations of the Eurozone, and challenges lie ahead from future US policy, drastically slowing Chinese growth and new emerging economic giants. The UK's relationship with the EU remains of enormous importance to the country's global standing in economic and geopolitical terms, but the approaching referendum is creating considerable uncertainty, undermining investor confidence and causing delays in and diversion of investment from the UK.

3.2.4 Of long-term importance is the sustainability of current economic models. Estimates of the volume of natural resources needed if the world's population (current and predicted future) is to experience the consumption patterns of developed countries vary

between four and ten times current global output. The medium-term outlook is one of supply disruptions, volatile prices, accelerated environmental degradation and rising political tensions over resource access. Conservative ministers have been obsessed with driving down labour costs – threatening the further erosion of rights at work and harmonious industrial relations – while opportunities to improve energy and resource efficiency and eliminate waste, through ‘circular economy’ models, go untouched.

3.3 Demographic change

3.3.1 At an extra half a million individuals per year, the UK is currently experiencing one of the fastest rates of population growth of any EU member state, due to immigration, rising birth rates and lengthening life expectancy. On balance this is good for the economy but the impacts of a rising and changing population have mixed effects and the impact of the baby-boomer generation moving into retirement is yet to be fully understood. While it should be celebrated that more people are living longer and healthier lives, catering to the needs of an ageing population without placing an excessive burden on the young could become a significant challenge.

3.3.2 Immigration, including EU citizens exercising their rights to live and work in the UK, contributes significantly to the UK economy, but issues of social cohesion and immigrant integration require clearer and more enlightened political leadership. How can the UK engage most effectively within the EU and the Commonwealth, and other international groupings, to address questions of economic migration in ways that will assist third countries as well as the UK?

3.3.3 Britain has historically favoured multiculturalism and has broadly secured community cohesion. The story varies significantly

from community to community, but despite frequently ill-informed media reports, people in Britain are very much able to live side by side and generally appreciate that social diversity is to be welcomed, not feared. This liberal ideal is to be celebrated, but is not universally shared. How can we further encourage tolerance and good community relations?

3.3.4 Changing demographics also impact on health and welfare systems and on the demand for housing. The move to smaller and 're-formed' (often single-person) households, together with the growing population has significant effects on housing demand; an estimated 300,000 extra units are needed every year to meet demand, yet the current rate of house-building is less than half that. In some communities, over-crowding is becoming a more serious problem, while in others people are increasingly suffering from isolation as a result of a breakdown in traditional community bonds, alongside inadequate public services, especially public transport in rural areas.

3.4 Inequality and social justice

3.4.1 In many ways, the UK is a deeply unequal society. While the coalition government took steps to address disparities between the genders, particularly on pay and parental leave, there remains a substantial gender pay gap and women are still significantly under-represented in many spheres, including science and politics, as well as in senior positions and at company board level. Similarly, while steps were taken by the coalition to address LGBT inequality by, for example, providing for same-sex marriage, there remain major obstacles to equality. Discrimination persists against BAME people, not only in terms of under-representation but also in terms of their treatment by public authorities such as the police. People with disabilities also face major barriers to their full participation in society.

There is substantial inter-generational inequity in terms, for example, of the accumulation of assets, particularly housing.

3.4.2 Having experienced a surge in income inequality under the Thatcher governments which has never been reversed, the UK now has one of the most unequal income distributions in the developed world, and it is the only G7 country to have seen wealth inequality grow over the period 2000–14. Although the extent of inequality fell somewhat during the recession, the economic recovery together with austerity-led cuts in benefits and public services is now pushing this trend into reverse. In many of Britain's great cities, a walk from their financial and commercial heart of a mile or less can lead into areas of stark poverty. Yet inequality does not only harm society's poorer members; there is growing evidence that the more unequal a society is the weaker it is in terms of standards of health, education and crime, and levels of trust and co-operation.

3.4.3 Welfare – national and local support for those in poverty – stretches from parental leave to universal credit. Based on the first Conservative-only Budget, those dependent on welfare will fare badly under this government – including not only the unemployed but also the working poor, who benefited from our achievements in raising the income tax threshold but who will now see state support diminish. Disadvantaged young people will be particularly affected, due to the removal of housing benefit for under-21s, and cuts to tax credits for under-25s, without the higher 'living wage' being planned for those aged 25 and older.

3.5 Public services

3.5.1 Drastic spending reductions in public services such as local government, policing, prisons and legal aid have caused significant difficulties; the prison service, for example, has received its most critical inspection report in recent years and is seeing a rising number of prisoner suicides. Is more money the only answer to their problems, or has the time come for a radical re-think in the provision of these services?

3.5.2 Other public services have been protected from such large spending reductions but face pressures nonetheless. The National Health Service is dealing with increased demand and growing health problems, arising in part from the ageing population rising levels of obesity and an increasing focus on mental health (a Liberal Democrat initiative in the coalition). Overall, however, improvements in standards of health are enabling people to work and remain socially active for longer. Innovations in disease control, personalised medicine and improved understanding of the links between lifestyle and health offer prospects for a better quality of life.

3.5.3 Education is constantly changing, structurally with the introduction of free schools and academies, and also in terms of teaching and learning. How can the particular challenges in each public service be met?

3.5.4 In a time of scarce resources, there is obviously a tension between ensuring that services match the expectations of those who use them and controlling cost. How can that tension be reconciled? How can public services be tailored to meet the needs of their most vulnerable users? How can services be made more responsive, and to what extent can genuine choice be delivered?

3.5.5 There are wide variations in the delivery of public services and welfare. In some areas, such as policing, the state has a near-monopoly. In others, such as health, there is a mixed economy, with the public, private and third sectors all playing a part. In others, such as dentistry and criminal defence, delivery is almost entirely through the private sector. Many areas have seen an increase in outsourcing, with mixed results. What is the right balance? Are there better ways to structure the public sector to reflect technological and demographic changes?

3.5.6 More broadly, the Conservative aim to reduce the size of the state, to account for an estimated level of spending of 36 per cent of GDP by the end of the parliament, takes politics into largely uncharted waters. The average size of the state in developed countries is currently about 42 per cent of GDP, and apart from brief periods in the late 1990s, late 1980s and 1950s, UK public expenditure has not been consistently at the Conservatives' proposed level since before the Second World War. Liberal Democrats have always been clear on the desirability of decentralising state spending and authority, but do we have a view on the overall size of the state in the circumstances of the 2020s? In particular, what are the challenges around securing sufficient levels of capital investment in infrastructure?

3.6 Security at home and abroad

3.6.1 The UK faces an unprecedented and unpredicted range of security challenges at home and abroad, including violent extremism, cybercrime and climate change. The dramatic rise of Da'esh (the so-called Islamic State in Iraq and the Levant) in the Middle East alongside Russia's incursions into Ukraine and threats to the UK's EU and NATO partners in the Baltic pose significant international security

threats. That some of the jihadis fighting for Da'esh are UK nationals and some seek to perpetrate terror attacks in the UK highlights the potent interplay between international and domestic security.

3.6.2 The UK, like other states, cut its defence capabilities after the end of the Cold War. The challenges of the 21st century do not demand the same military responses as in the past, but they do necessitate a clear vision of the UK's place in the world and an understanding of how those threats can best be tackled.

3.6.3 These new challenges have been compounded by migratory pressures through porous North African borders, currently most notably through Libya. In addition, there is an increase in non-state actors willing to use force in ways that cannot easily be tackled through traditional diplomacy or international law, which are unlikely to diminish in the coming decade. How can liberal democracies like the UK respond to global security threats? What implications do these threats and possible ways of resolving them have for the UK's relations with the EU, UN and Commonwealth?

3.6.4 Security challenges such as these ensure that the current government will try to curtail its citizens' civil liberties by dint of the snoopers' charter and attempts to repeal the Human Rights Act, among other initiatives. How can Liberal Democrats offer robust and liberal responses while maintaining national security?

3.7 Climate change

3.7.1 Unconstrained growth in greenhouse gas emissions leading to catastrophic climate change is perhaps the greatest threat human society currently faces. Its effects include an increase in extreme weather events, flooding and storm damage, rising temperatures,

wildfires and the spread of vector-borne diseases like malaria and dengue. The most immediate impact is likely to be falling agricultural yields leading to rising food prices – a key factor behind the Arab spring uprisings and the Darfur conflict.

3.7.2 Yet there are reasons for hope. In 2014 global carbon emissions remained level despite continued economic growth, the first time this has happened in the absence of a major economic crisis – though emissions still remain at too high a level. For every year since 2008 global net investment in renewable energy has been larger than in fossil fuels; in 2013 it was roughly double. The UK, already a world leader in offshore wind power, marine renewables, low-carbon transport and green finance, is well placed to compete in the new and expanding international markets around low-carbon, resource-efficient and environmentally sensitive infrastructure, technologies and services – so an environmental challenge is also a major opportunity to rebalance the economy and lay the foundations for long-term employment and prosperity.

3.8 Technological context

3.8.1 New technologies and new forms of data provide new ways of doing things – supporting enhanced forms of economic and social participation and giving people greater access to information and education with greater potential to make decisions about their own lives. The challenges for a liberal society addressing such technological changes in 2020 will include ensuring democratic access for all citizens to these opportunities, safeguarding individual privacy and dignity in a culture that records more personal data, and balancing societal benefits against costs to the public purse.

3.8.2 Disruptive technologies, such as additive manufacturing (like 3D printing) and autonomous vehicles, will drive significant changes in lifestyles and create solutions to help minimise the use of scarce natural resources. As the controversies over services such as Uber show, technological change often produces conflicts between those who hope to benefit and those who fear they will lose from it. Deciding when to intervene either to impede or accelerate the impact of such change, and what transitional support may be appropriate, will be a recurring set of questions.

3.9 Questions for discussion

3. Is this a reasonable summary of the major challenges facing the UK today?

4. And of the major opportunities?

5. What do you think liberalism has to offer in each of these areas?

4. Conclusion and Next Steps

4.1 As we noted in the Introduction, everything in this paper is open for discussion: we want your input to the attempt to articulate what Liberal Democrats are for and what we have to offer the country. Based on the responses to this consultation, the Federal Policy Committee will set out a programme of policy development for the rest of this parliament, putting forward for debate within the party a series of policy papers describing the key challenges the country will face and our response to them.

4.2 As Liberal Democrats, we are by nature optimists. Our time in government over the last five years taught us how challenges can be faced, and we have learned from that experience how we could have tackled some of them differently. Now, we are operating in a difficult political context, where securing a hearing for liberalism will be a struggle not faced for more than a generation.

4.3 Inevitably, we will spend much of the next five years opposing many of the measures introduced by what is shaping up to be a more right-wing and reactionary government than Britain has seen for decades. But simply to oppose will not be enough; underlying all of our campaigning and policy-making we need to put forward a positive message of belief in this country, in its citizens and their communities.

4.4 We believe this is what liberalism is about. It is an optimistic confidence in the capacity of everyone to make the most of their lives, to fulfil their talents and to realise their dreams, and the belief that government has a duty to make this possible, to create the conditions in which people and their communities can flourish.

4.5 No other party in British politics today represents or campaigns for these beliefs. This is why the Liberal Democrats, and the beliefs and values we stand for, are worth fighting for.