

Ed Randall's SPEECH to the Liberal Democrat Conference held in Birmingham on Federal Policy Motion F24ⁱ, given on Monday morning of 19th September 2011

I have asked to express my disagreement with six lines in the motion - lines 1-4 and 34-35.

I don't think Conference can welcome the *Facing the Future report*; it not only fails to acknowledge the scale of the challenges we face, it also fails to supply Liberal Democrat explanations for why our society and our planet are in such a mess.

Despite what the motion claims: We don't have a programme of policy development, which is both "optimistic and forward looking". That is because we have been wedded to an economic nostrum that is misguided and counterproductive.

We have been shackled, that isn't too strong a word, to accelerated deficit reduction.

The motion claims that *Facing the Future* provides us 'with a distinctive platform for the next General Election' - it does nothing of the sort.

(Pause)

Four minutes – in a debate of this kind – isn't sufficient to cover all the ground I wanted to. So I am going to do two things:

Commend my own response to *Facing the Future*,

which you can find on the webⁱⁱ

And

Concentrate on one critical aspect our party's approach to policy making.

Danny Alexander and Vince Cable have both insisted, in personal exchanges with me, that our party's commitment to accelerated deficit reduction is fixed. There Is No Alternative – **TINA! AND...they are not for turning.**

Fellow Liberal Democrats this so-called pillar of the Coalition Agreement has become and will remain pure poison. Poison for our party, poison for the Coalition, and - most important - poison for Britain's prospects of economic recovery.

It makes no sense for any member of the Coalition to remain signed up to something that is bound to fail.

Here in Birmingham, close to where I am staying, there is – and I kid you not – a 'Needless Alley'.

Our Coalition government is living on 'Needless Alley'. It remains unwilling to use more than a small fraction of the discretion it has to modify economic strategy.

It isn't just Ed Randall from Greenwich Borough saying this - a battery of the world's most distinguished economists say the same.

Here in the UK we have our very own Will Hutton, joined by Richard Portes, of the National Institute, and Martin Wolf, at the FT.

Across the pond you will find James Galbraith, Paul Krugman and Joseph Stiglitz.

But the most impressive and important of them is Richard Kooⁱⁱⁱ. He has been travelling the world to make his appeal for evidence based economic policy.

Koo knows something that neither Vince nor Danny are ready to accept - in public at least.

Monetary policy has lost traction in Western Europe and the US.

It is time for **Tara** - not for Tina.

I thought I had invented Tara, to help me through a debate with Vince earlier in the year.

Tara – in my mind – stood for **There Are Real Alternatives**.

Imagine my surprise when a friend told me that I had invoked a Buddhist divine^{iv}: known as the 'mother of liberation', I now understand that she represents **the virtues of success in work**.

Idleness is the enemy of economic and national recovery. Liberal Democrats should be doing everything they can in government to put the nation to work and keep it at work.

There is no point in cutting public expenditure hard and fast in a deep economic trough, if your aim is to restore the health of the public finances or of the economy.

In more everyday language: “When you are in a hole you should stop digging!”

There is a time to dig **AND a time to sow.**

The great news is that **we can invest** and those who are lending to the British government want us to do just that. For confirmation – Danny and Vince – I suggest you ask the Chief Economics commentator at the Financial Times, Martin Wolf^v.

ⁱ Policy Motion F24 at the 2011 Liberal Democrat Conference in Birmingham available at [http://www.libdems.org.uk/siteFiles/resources/docs/conference/F24%20Facing%20the%20Future%20\(Policy%20Development%20Agenda%20Policy%20Paper\).pdf](http://www.libdems.org.uk/siteFiles/resources/docs/conference/F24%20Facing%20the%20Future%20(Policy%20Development%20Agenda%20Policy%20Paper).pdf)

ⁱⁱ A copy of my How and How Not to Face the Future can be downloaded at <http://homepages.gold.ac.uk/erandall/HHNelectronicPDF.pdf>

ⁱⁱⁱ Richard Koo’s address at the Inaugural Conference of the Institute for New Economic Thinking in Cambridge – YouTube recording available at http://www.youtube.com/watch?v=6k0_a1JS5hU

^{iv} Tara or Ārya Tārā, also known as Jetsun Dolma (in Tibetan Buddhism) also appears as a female [Buddha](#) in [Vajrayana](#) Buddhism. She is known as the "mother of liberation", and represents the virtues of success in work (see Wikipedia article at http://en.wikipedia.org/wiki/Tara_%28Buddhism%29)

^v See Martin Wolf’s piece on listening to the bond markets: ‘We must Listen to the bond markets’, FT 6th September 2011 [at <http://www.ft.com/cms/s/0/9cbe577a-d872-11e0-8f0a-00144feabdc0.html> subscriptions needed]