

LOOKING FORWARD

A Conservative Vision

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FOREWORD

Conservative Policies, Conservative Principles

By Roger Helmer MEP

British Conservatives, in May 2005, fought a general election, and for the third time in a row, we lost -- although the Labour majority was reduced from 161 to 67.

Many commentators agreed that this was one of the most effective and professional campaigns we have run for years. Yet too often our policies seemed to be *ad hoc*, reactive, pragmatic responses to circumstance, lacking a coherent vision. Two frequent comments from voters on the doorstep illustrate the problem: "I don't know what the Conservative Party stands for". And "There's no difference between the main parties these days".

It is not enough to approach each issue with a clean sheet of paper, with one eye on public opinion, and hope to come up with a coherent Conservative view. We must start from clear conservative principles. Of course our principles must be *applied* in a modern, pragmatic way that suits the circumstances of the 21st century. We must be as relevant and voter-friendly as we can. But unless the principles inform the policies, we shall end up with a rag-bag, not a vision.

It seems to some that the Conservative Party is in danger of losing sight of conservative principles, so let's just recall what they are. Liberty. Small government. Low taxes. Enterprise and free markets. Personal responsibility. Family and nation. American Republicans will immediately recognise these as "Jeffersonian principles", but they are the basis of conservative thinking the world over. These are the touchstone against which every policy prescription must be tested.

Let's take a practical example: ID cards. Labour was in favour, to help fight terrorism, control immigration and prevent social security fraud. The UK's third party, the Liberal Democrats, were against, on civil liberties grounds. The Conservative position (as far as I could see) was that it was a difficult question which we should like to think about after the election. We seemed to be weak and indecisive, allowing the Lib-Dems, on this issue, to be, as they claimed, "the real opposition".

If we had gone back to our principles of individual liberty and limited government, we should have seen straight away that we should oppose ID cards. They are about big government controlling the individual, a deeply un-conservative position. Of course we should back up our principled position with pragmatic arguments – ID cards did not prevent the Madrid bombings, new arrivals would not have ID cards for months, the government record on implementation of vast computer data-bases is appalling, and the proposed budget would be much better spent on more effective control of ports and airports.

But a principled approach would have avoided indecision, and given us the right answer immediately.

A second area where we lost sight of principle was in our approach to health and education. Our policies were fine, but because we failed to explain the principles behind them, they were poorly understood. How else is it possible that journalists could write that "For both major parties the buzz-word is choice – so there is little to choose between them"? Labour uses the language of choice, but fails to understand it. The difference between Labour and Conservative on the NHS is (or should be) that

we both agree that the government should pay for healthcare, for those who want it to. But Labour believes that the government should also manage and deliver healthcare, whereas Conservatives know that the market can do it better.

Our failure to communicate this concept was dramatically illustrated to me by an interview with a voter, who lived in a remote location where only one hospital was within a reasonable distance. ‘Choice is no good to me’, he said, ‘It’s the local hospital or nothing’. But the purpose of choice is not merely to pander to the personal preferences of the individual patient. The plain fact is that **choice drives quality**. Even if only a proportion of patients can exercise that choice, for geographical or other reasons, the fact that some can do so will still drive quality. The patient unable to exercise choice still benefits from the general rise in standards.

The Lib-Dems argue that rather than offering choice, we should ensure that every hospital offers uniformly high standards. They fail to see that choice is *the mechanism that will deliver those standards*.

The vexed issue of taxation again illustrates the failure of principle. Our Shadow Chancellor Oliver Letwin was determined, quite rightly, that we should promise only what we could deliver, with elaborately detailed costings to show where the money would come from. But so determined were we not to be depicted as ‘slash and burn’ tax cutters, that we were reluctant to admit the obvious truth – that we should be alert to additional savings that could be made, we should look for additional supply-side growth generated by our modest early tax-cuts, and that as opportunity offered we should deliver further tax cuts, because we believe in low taxes and small government.

Europe: our biggest failure of principle.

The European issue scarcely surfaced during the election, yet EU treaty obligations compromise our ability to deliver on all of our key domestic policy commitments.

Tested against conservative principles, the EU fails dismally. Its bloated, intrusive, prescriptive regulatory regime and its unaffordable social model run directly counter to the principles of liberty, responsibility, low taxes and limited government.

More fundamentally yet, it is undermining the independence and indeed the very existence of our nation. If the Conservative Party is not the party of an independent, democratic, sovereign Britain, it is nothing, and deserves to be nothing.

Yet our EU policy is a two-headed monster. On the one hand, we are rightly committed to repatriating powers on fisheries, foreign aid, and social policy, and to amending or abrogating parts of the European Convention on Human Rights insofar as they obstruct our other policies. We have hinted that our shopping-list for repatriation will get longer. Yet on the other hand, we insist that Britain will remain ‘a full and committed member of the EU’.

These two propositions are clearly incompatible, indeed mutually exclusive. And because they are incompatible, they are simply not credible.

It is time to recognise that the EU is a political union, and is fast becoming a quasi-state, in which former member-states will be quasi-provinces. Most of our laws are made in unaccountable foreign institutions, where we have no control and little influence. What little influence we have is progressively diluted by successive waves of EU enlargement.

This collection of essays, largely by serving members of the European parliament, takes a fresh look at many of these issues, and proposes genuinely Conservative solutions to the policy options we face.

Notes on British Farming in the Twenty-first Century

By Neil Parish MEP

What do we expect the farming industry to deliver?

- ✓ We need farmers to supply home grown, high quality food that is produced to high welfare standards and is completely traceable so that consumers have confidence in what they are eating.
- ✓ Farmers must manage the countryside so that conservation, farming and tourism can flourish hand in hand.
- ✓ There must be a framework for a sustainable future so that our young farmers are encouraged into the industry to take farming forward into a new competitive era.
- ✓ We need to move farming forward so that we can compete efficiently and freely on the world market, not through government intervention but through the quality of our produce.
- ✓

A Short History

Britain signed up to the much maligned CAP (Common Agriculture Policy) when we joined the Common Market in 1972. The CAP, like policy pursued by British Governments after the Second World War, was designed to produce food and in that respect it was successful. However, overproduction was inevitable as farmers received subsidy to produce, not compete and by the 1970s Europe was producing massive food mountains.

The European taxpayer bore the cost as the EU paid an artificial 'intervention' price to maintain farmer income as supply far outstripped demand. The environment also felt the negative effects of an increasingly intensive industry. Meanwhile, excess produce was exported, sold or 'dumped' on to the world market at low prices. Poor countries could not compete with these prices and their farming industry suffered as a result.

Despite some moves to reform the CAP, with the introduction of milk quotas in 1984 and the McSharry reforms of 1992, the CAP continued to pay direct subsidies. For example, premiums continued to be paid for the number of beef cattle a farmer kept or the number of ewes kept, with a resultant flooding of the market and a drop in quality. This is not competition in a free market.

CAP Reform

In 2005 we will see the beginnings of the new CAP reform package that intends to cut the link between subsidy and production. Finally, we are moving in the right direction but we need to go much further. The crux of CAP reform is the Single Farm Payment.

The SFP is a single direct payment to farmers, received on compliance with certain environmental standards. Payment is not linked to the amount produced; instead farmers will be paid according to acreage held on a 'regional' basis. The SFP will be phased-in over 8 years, during which time the 'historic' subsidy payment will

be phased out. The historic payment is the average subsidy paid to farmers in the period 2000-2002.

There are several problems with the reform thanks to the complicated implementation strategy laid down by Secretary of State for Agriculture, Margaret Beckett. In England, farmers face a different form of SFP implementation to that of Wales, Scotland and Northern Ireland. In 2005, English farmers will receive their SFP based on 90% historic analysis and 10% regional analysis. The rest of the UK will receive payment in 2005 based on 100% historic analysis. This creates a scenario whereby a Welsh farmer could receive substantially more payment than an identical farm that happens to fall over the border in England.

Good livestock and dairy farmers in England will also lose out. The Beckett reform divides England into three areas - moorland (receiving the smallest SFP), Seriously Disadvantaged Areas (SDAs) and non SDAs (receiving the most lucrative SFP). Good farmers with high stocking density in SDAs will not get the support they deserve. The mystical level playing field that farmers want across Europe will not even exist in the UK.

How to Help Our Farmers

Farmers actually want to make a living from the market place, not from subsidy, but they need help to achieve this.

Increase Farmer Control

We have to act to allow farmer owned cooperatives to come together to control their industry. Supermarkets hold all the ace cards at the moment and give farmers a bad deal.

We need to go down a similar road to the dairy cooperatives of Fonterra in New Zealand and MD Foods in Denmark where they control over 90% of all domestic milk production and farmers benefit from the enhanced bargaining position. The creation of Fonterra and MD Foods was driven by the potential to increase efficiency within the industry, to increase the returns paid to farmers and to let farmers control their destiny.

We need to change British law if necessary to allow farmer owned cooperatives to control the majority of the market.

Promote local labelling and traceability

I am opposed to regional government but I am completely sold on a local and regional food policy. We must promote and label our local food so that consumers are looking for it and asking for it to be put on supermarket shelves.

Too often food processors will source their ingredients from outside the UK yet because the food is processed in Britain the product says it is a UK product, leading people to believe that they are eating British food when they are not.

Consumers have a right to know where their food is coming from. Country of origin labelling for primary food products and processed food products must be obligatory.

Support Animal Welfare

We have a very high standard of animal welfare in the UK. Our methods of rearing livestock are among the best and we need to be able to label our products as such.

If animal products that have not been produced to our high standards are imported into the UK then they must also be labelled with that information. Consumers must have a choice to buy British and support better animal welfare standards.

Reduce Defra bureaucracy

We now have more Defra officials than we have dairy farmers - we must tackle over-regulation of the UK farming industry.

The new CAP reform is supposed to reduce red tape - Defra must break the habit of 'gold plating' EU regulation and take this chance to reduce bureaucracy.

Farmers will become eligible for the Single Farm Payment only on compliance with certain environmental standards - known as 'cross compliance'. Cross-compliance requires farmers to adhere to 18 EU directives along with 'Good Farming Practice.'

These standards must be monitored by one agency. There is potential for 'armies' of bureaucrats (environmental agencies) to be dispatched to farms with different briefs, turning cross-compliance into a Defra job creation scheme. This must not be allowed to happen.

Treat Farmers Fairly

Defra's approach to farmers must change. The prevailing attitude from Defra and the Rural Payments Agency (RPA) assumes all farmers are guilty of conspiring to break the rules until they can prove their innocence.

We want a system where farmers are not drowned in paperwork, where they are given more protection from the rules and are not unduly penalized.

Fight EU Legislation

Too often the Secretary of State for Agriculture, Margaret Beckett, will not stand up for our farmers when she meets her European counterparts to debate new regulation.

The British government must learn to fight for British farmers and not put our farmers into a European straight-jacket of regulation.

Look After Tourism

Farms in national parks, environmentally sensitive areas and special landscape areas need support to keep these areas grazed and looked after. Not only are they important in their own right but they are also valuable for their attraction to tourists.

Tourism and farming in many areas are intrinsically linked and we need to give help to green tourism.

Encourage young farmers

It is easy to talk about farming today without thinking about the farming of tomorrow. Young farmers must be encouraged and supported.

Share-farming policies must be encouraged. This is where a retired farmer eligible for the SFP can enter into agreement with a young farmer who cannot afford the capital costs needed to enter the farming industry. They can operate two separate businesses on one area of land, resulting in a single output of sales.

Promote a Bio-fuel Market

Bio-fuels are a way of replacing fossil fuels and can help farms to find new markets for their cereal and oilseed.

There needs to be a tax reduction on bio-fuels to bring in the investment to build this area of the industry.

Fight for fair trade with the rest of the world

The restructuring of the CAP and the WTO trade agreements have meant that EU export subsidies are falling while EU imports of products are rising.

We must continue to press for an end to trade-distorting export subsidies in all appropriate cases. For instance, the appalling waste of £600 million of taxpayers' money in subsidising tobacco production must be stopped.

When opening up trade we need to be especially mindful to protect our industry against farm imports into the EU that are not produced to our exacting standards. We fully support trade liberalisation but must not let EU regulations price our products out of the market.

A Conservative Government

Although my notes are brief their aim is to raise some important issues for further discussion. British farmers have had a bumpy ride over the last 50 years being pulled from pillar to post, adapting to reform after reform, dealing with disease outbreaks and dwindling incomes and it is time they saw the light at the end of the tunnel.

A future Conservative government will need to cut bureaucracy, slim down Defra, fight for British interests in Europe and help farmers in the ways I mention above.

Most importantly I want to install a Conservative government that will let British farmers do what they do best - farm our countryside.

The New Localism

By Danniell Hannan MEP

British Tories are accustomed to being different from other Centre-Right parties in Europe. Where we believe in the free market, our Christian Democrat colleagues favour a mixed market. Where we are attached to our nation's independence, they want more European integration. Where we favour personal freedom, they incline towards a benign corporatism inspired by Catholic social teaching.

In one area, though, we have a great deal to learn from them. Across the Continent, Right-of-Centre parties are seen as champions of local autonomy against the bureaucracy of the state. Ever since the French Revolution, it is the Left on the Continent that has sought to centralise power. The tradition of Jacobinism and, later, Marxism saw regional particularisms as belonging to the feudal age. The Right, therefore, tended to take its stand on the defence of local traditions. Even in Spain, where conservatives historically opposed Basque and Catalan self-government, they at the same time supported the traditional privileges of the various regions; it was the liberals who wanted to standardise everything.

The sole exception is the British Conservative Party. Our historical record on local democracy is, not to put too fine a point on it, lamentable. A hundred years ago, Salisbury, great man though he was, opposed the principle of elected local councils. In more recent years, we became the party of rate-capping, the poll tax and the uniform business rate. These policies may have been understandable in the context of their time; but they have left us with the reputation of being uneasy with the very idea of local democracy.

Quite apart from being harmful in itself, this reputation damages our credibility in other areas. We should sound more convincing in our opposition to European harmonisation if we applied that same principle at home. People would be readier to believe that we want to take powers back from Brussels if they could see that we also favour the devolution of powers at home. Our denunciations of the "unelected" European Commission would ring truer if we were equally exercised about the unelected agencies that wield executive power in Britain, from the Financial Services Authority to the Child Support Agency, from the Commission for Racial Equality to the Health and Safety Executive.

It is not enough to cant about the importance of local government: all politicians do that, and the voters discount it. Stronger stuff is needed. We should be prepared to adopt a radical and new approach, informed by the model of town hall democracy in the US, or that of local referendums in Switzerland. Our guiding principle should be that decisions ought to be taken as closely as possible to the people they will affect. Where possible, this means devolving power to the individual citizen, whether as a patient, parent or commuter. Where collective action is needed, we should prefer the village hall to the county and the county to the kingdom. We should seek to maximise accountability by electing public officials. We should create a proper link between taxation, representation and expenditure at the local level.

Let me give just two examples of what I mean. One of the most powerful quangos in Britain, although we rarely think of it as such, is the police service. As things stand, individual chief constables are often left to take policy decisions – whether or not to treat the possession of cannabis as a criminal offence, for example. The only democratic input is through the police authorities, on which only a minority

of places goes to elected councillors, who are in any case represented proportionately according to political affiliation.

At every local election, candidates from all three parties solemnly promise to ‘put more police on the beat’. But they have no power to do so. The decision on how to deploy police personnel is taken by the chief constable, as they well know. Hearing this promise year after year, but seeing few changes, voters unsurprisingly become cynical.

Just imagine, though, if elections really could decide such issues. What if the powers currently exercised by the police authority and the Crown Prosecution Service were exercised by the largest local party? Councillors would then have to decide, for example, whether to prosecute homeowners who shoot intruders. They would have to weigh up how much to spend on speed cameras, and how much on additional foot patrols. Ideally, they should also control the criminal compensation budget, and have to judge how much to spend on compensation and how much on prevention. And, every four years, they would have to offer themselves for re-election on the basis of their record. This, surely, would give voters an incentive to visit the polling station. We might go further by placing these powers in the hands of an elected local sheriff. There is some evidence that the personalisation of administration boosts turnout and encourages the office-holder to work that little bit harder.

And what goes for policing applies, *mutatis mutandis*, to education, the relief of poverty and much else. Decisions which, in the United States, are left to local communities -- the school curriculum, the management of local hospitals, the remit of the fire service -- are decided in Britain by the Secretary of State in Whitehall. Even if this person is the best and wisest of politicians, he or she cannot possibly hope to apply a uniform policy that will suit all needs.

In any case, the very remoteness of decision-making is a problem in itself. If, for example, social security were decided locally, and there were a direct link between welfare payments and tax-bills within each county, people would take a very different attitude to the neighbour whom they knew to be signing on while working as an electrician. It is one thing to steal from ‘the government’ -- another to do so directly from your local community.

Which brings me on to the second idea: the reform of local government finance. This may not sound an intrinsically sexy subject although, as Margaret Thatcher found when she introduced the community charge, it has a disproportionate ability to rouse passions. Labour is now finding the same thing, and for the same reason, namely that it is the one part of people’s tax bills that is not normally deducted at source. We meekly hand over thousands of pounds through income tax and VAT, but only when it comes to the rates do we actually have to write out a cheque to the taxman. It is therefore important to get this issue right.

Our four guiding principles should be as follows. First, councils should be responsible for raising their own revenue, and answerable for how they spend it. Across the EU as a whole, local government is responsible for raising 65 per cent of its own finance; in Britain, that figure is 25 per cent the rest coming from the Treasury.

Second, there should be as close an approximation as possible between the electorate and the tax-base. Most forms of taxation fall disproportionately on one section of the population. The current system of council tax penalises non-working homeowners, generally pensioners; the poll tax fell most harshly on the working poor; a local income tax would disadvantage everyone with a job. In every one of these cases, especially the last, a chunk of the population would find itself exempt, and

would therefore have an incentive to vote for higher spending, knowing that the bill will be picked up by someone else.

Third, any new tax should visibly replace an existing one. It is neither right nor politically sensible simply to propose an additional fiscal burden.

Fourth, the tax system should be so structured as to encourage downward pressure on rates. At present, we have the opposite: a temptation for councils to “spend up to cap”, knowing that any savings they make might lead to a cut in their grant from central government. Indeed, profligacy is positively encouraged: the worse a council performs, and the poorer it makes its residents, the more hand-outs it attracts.

One system of local tax would fulfil all these criteria: a Local Sales Tax (LST), levied at the point of retail. By happy coincidence, the sum paid by the Treasury to town halls (£66 billion last year) is almost identical to that raised by VAT (£64 billion). It would therefore be feasible to scrap VAT -- an unpopular and complex tax -- and replace it with an LST that would be payable only once, at the point of sale. LST rates would be set by local councils, giving them an incentive to keep the rate low, lest their shoppers cross the county line in search of bargains. Best of all, everyone would pay it, because we all buy things. There would therefore be no section of the electorate with an incentive to vote for higher spending.

These two ideas -- democratic local control of policing and the LST -- are not offered in isolation. Rather, they are examples of a whole new approach to local democracy, aimed at empowering the citizen at the expense of the state.

In adopting such an agenda, we would be returning to our political roots. People often dismiss the concept of town meeting democracy as an American notion that could not easily be imported into Britain. In truth, however, it is an old English idea that thrived in the New World while it withered in the Old -- rather like the strains of vine that survived in California while the phylloxera blight wiped out their ancestral stock in Europe.

Pluralism in our domestic administration would bring tremendous advantages. In other Western countries, politicians rarely emerge on the national stage without first having proved themselves in their home region. Not only does this give them the advantage of having run budgets, but also the experience of executive decision-making. Perhaps more important, it means that ideas can be trialled locally and, if successful, mimicked nationally. In the US, most of the recent federal reforms, from zero tolerance policing to workfare, were developed at the state and local levels. Once, such things happened in Britain, too. Even as late as the 1970s, Tory councils pioneered a policy which, when applied nationally, became the mainstay of Margaret Thatcher’s popularity: council house sales.

In revitalising our towns and shires, we should be returning to our Eighteenth Century roots, rediscovering the country Toryism that traditionally informed our suspicion of the central state. That ideology, transplanted to the fertile soil of North America, produced the greatest democracy on Earth. It is time to bring it home.

Education: A Choice to Succeed

By Martin Callanan MEP

The Labour Party is fond of bemoaning Britain' s (as they see it) rigid class structure yet fails to provide children with access to social mobility through education. How different would the UK' s education agenda be if the political rhetoric embedded in education policy and the school voucher debate was replaced by politicians walking door to door informing parents that their child would never have any hope of escaping a failing school? By opposing vouchers, politicians are telling the most underprivileged British citizens that, "You are too poor to afford more, too poor to have control over your child' s future, and too poor to have a choice."

Those opposed to vouchers, which empower parents to gain control over their most precious possession, are turning a blind eye to the true problems that have overwhelmed the education system and are sealing children into a fate of poverty and oppression. School choice through vouchers offers a powerful opportunity to use conservative principles to roll back the tide of big government by empowering the individual. School choice will provide even the poorest of Britain' s children the choice to succeed.

More than a Quick Fix

Hundreds of thousands of British children are stuck in failing schools, mostly in Labour controlled inner city areas, and are not learning essential skills like reading and mathematics. Instead, policymakers have looked to increased funding as a quick-fix solution to a crumbling education system. By the 2007-2008 school-year, per pupil spending will double from what was spent 10 years ago -- totalling 5.6 percent of GDP.¹ Despite this substantial increase in school funding, 23% of 11 year-old students fail to meet the nationally prescribed standard in English, 26% are falling below maths and science standards and 25% have insufficient reading and writing skills.²

While these numbers may seem adequate to some, they do not tell the whole truth. These statistics do not fairly represent the quality of education in urban, inner-city schools. Minority, inner-city students disproportionately bare the burden of poor education. These are trapped children, with parents too poor to buy into better suburban school areas or to cover the costs of private tuition. The middle classes, of course, have long exercised school choice by the simple device of buying a house in an area served by a better school.

Policy & Practice

School vouchers, first suggested by the economist Milton Friedman in his 1955 essay, *The Role of Government in Education*, offers the opportunity for parents to choose which school their child attends -- giving that child the opportunity to leave an underperforming school for one where they will have the chance to obtain a quality education. Friedman' s idea was to disrupt the current virtual monopoly of the public school system by opening it to free market pressures that will effectively force the radical changes necessary to improve pupil achievement--changes that years of increased funding have not, and could not have, produced.

¹ Spending Review 2004: Press Notice 08. HM Treasury, 12 July 2004.

http://www.hm-treasury.gov.uk/spending_review/spend_sr04/press/spend_04_press...

² Ward, Lucy. Test Results Still Fall Short of 2002 Targets. The Guardian, 25 August 2004.

<http://education.guardian.co.uk/sats/story/0,13294,1290036,00.html>

Vouchers essentially give parents an allotted sum of money, equal to or less than the average portion spent on public education per pupil, to assist with the costs of private education on a transfer to an alternate state or faith based school. A variety of strategies can be used to decide who gets these vouchers. It can be done by school catchment area, by city, by region, or even by nation. Other strategies include awarding vouchers only to students in poor performing schools, typically located in poor inner city neighbourhoods. Regardless of the implementation strategy taken, vouchers ensure that money follows the student to a school where that child can receive a decent education.

Getting down to the basic structure of vouchers removes the issue from a politically charged platform to one of opportunity. Vouchers directly benefit kids stuck in bad schools. The families most likely to reap the benefits of school vouchers are lower income families that currently cannot afford private schooling. These are the people who most want the program of school choice -- not the financially stable middle class.

Rather than turning a blind eye to those children who are receiving less, solely because they cannot afford more, policy leaders should look to the success of vouchers in Sweden, the Netherlands and the United States. Sweden has provided universal school choice since 1992. In the Netherlands, school choice is a constitutional right.³ Meanwhile, the United States has created a number of school choice schemes, most notably in the cities of Milwaukee, Wisconsin and Cleveland, Ohio as well as in the state of Florida. In each of these countries, thousands more children are receiving a quality education, chosen by their parents, than would otherwise be the case.

Recent studies have shown that these voucher schemes not only provide tuition assistance for students to go to private schools, but also improve state schools. In Florida, a sweeping testing and voucher program has produced substantial statistical support for the use of vouchers to improve state schools. According to the Manhattan Institute's 2003 study, "Florida's low-performing schools are improving in direct proportion to the challenge they face from voucher competition."⁴ Local authority schools already facing voucher competition showed the greatest improvement in maths and reading exam scores, while those faced with the prospect of vouchers showed the second greatest improvements in test scores.⁵ More simply, when the education system becomes more competitive through the use of vouchers, all children benefit, whether they go to a private or public institution.

The Politics of School Choice

Despite overwhelming parental support and statistical evidence of success, voucher schemes face continuous attacks from left wing political leaders and teachers' unions. However, while traditionally aligned with liberal-minded Democrats who have opposed vouchers, black grass root movements in the United States have reframed the voucher debate into one of educational equality. By comparing failing inner-city schools to segregation reminiscent of Southern suppression, the US black

³ Only 32% of Dutch children attend state secondary schools. See: Hockley, Tony and Daniel Nieto. Hands up for school choice!: Lessons from school choice schemes at home and abroad. Policy Exchange, 2004.

⁴ Greene, Jay Ph.D and Winters, Marcus. An Evaluation of Florida's Program Education Working Paper No. 7. The Manhattan Institute, December 2004.

⁵ Ibid.

minority turned the debate from free-markets to the "civil-rights movement of the 1990s."

In 1999, 60% of blacks in the United States favoured vouchers, 72 percent among those earning less than \$15,000 a year.⁶ Other studies show support as high as 95% among blacks in urban cities.⁷ Support for school choice was so strong in Cleveland, Ohio, that nearly 6,300 students, almost all of whom were black, applied for only 2,000 vouchers. Over 200 low-income minority parents and children attended a three-hour-long Wisconsin state assembly hearing where school choice was being considered. Four years later, 750 mostly low-income blacks rallied for its expansion. It is the black inner-city parents who have pushed school vouchers into a political reality in America.

Repackaged as "school choice," vouchers gave American conservative leaders a new constituency; the black inner-city minority. While this population will never be folded into the Republican base, it does offer an opportunity to expand conservative principles such as individual responsibility and empowerment while also regaining influence and favour over the traditionally left-wing dominated political education agenda.

Vouchers are more than a debate about free-markets; they are an argument about individual empowerment and equal rights. On this basis, they allow conservative politicians to reach out to minority populations, showing them that Conservatives trust them and respect their right to have a say in their child's education.

Just as council house sales enabled Margaret Thatcher to convert thousands of inner city tenants into property owners, school choice offers today's Conservative Party the opportunity to regain support in poor inner city areas suffering under decades of badly managed municipal socialism.

Conclusion

School choice offers the opportunity to reach out and support the most vulnerable: Britain's children. It takes control over educational programs away from socialist councils and teachers' unions, and puts it into the hands of parents. Who better than a parent to decide what is best for their child? To say otherwise is reminiscent of the arrogance and social class rigidity often blamed on conservatives, but actually enforced by the left. Conservatives should be knocking on parents' doors and telling them, "You deserve more, you should have control over your child's future, and you should have a choice."

"Nothing is more powerful than an idea whose time has come."

-- *Victor Hugo*

⁶ Long, Morgan. A Choice to Succeed. The American Legislative Exchange Council, Issue Analysis, April 2001.

⁷ Shokraii, Nina. Free at Last: Black America Signs up for School Choice. Policy Review. November-December 1996.

Europe: A Fundamental Re-think

*"A relationship based solely on free trade
and voluntary inter-governmental co-operation"*

By Roger Helmer MEP

Key planks of Conservative thinking include liberty, representative democracy, limited government, enterprise and the market economy, family, nation and defence of the realm. Almost every one of these planks is challenged and degraded by the European project.

In 1975, the British people were asked to vote in a referendum on continued membership of the (then) Common Market. EU apologists insist that the small print at that time made clear the integrationist ambitions of the European project. But this is mere sophistry. The average voter does not read the small print, and should not suffer for failing to do so.

The main thrust of the debate in the public media, and the main message given to voters, was about trade and jobs. And not surprisingly, the British people were happy to vote for trade and jobs.

It was not just a case of missing the small print. Pro-EU campaigners offered specific assurances which were at best misleading, at worst down-right lies. Edward Heath said "There is of course no threat to the fundamental sovereignty of our nation".

Harold Wilson said "the threat of a common currency, *which would damage British job prospects*" (author' s italics -- at least Wilson was right on this aspect) "has been removed".

Those promises have clearly been broken. And the promise of trade and jobs has arguably been broken too. Prosperity in the whole of the developed world has increased enormously in the last thirty years, but it is difficult to make the case that membership of the EU has helped the British economy. The 2005 Lib-Dem election manifesto said "EU membership has been hugely valuable for British jobs", as if this were self-evident. But it is not.

EU growth has fallen behind that of other developed economies. European countries that have *not* joined the EU -- Switzerland, Norway, Iceland -- have amongst the highest *per-capita* GDP in Europe. And it is difficult to argue that the EU' s Single Market has helped trade. Switzerland' s exports to the EU, (on a per-capita basis) are double Britain' s. Over the last ten years, US exports to the EU have grown faster than British exports to the EU. Trade between the EU and third countries is growing faster than intra-EU trade -- exactly the reverse of pro-EU predictions.

An extraordinarily telling quote comes from the German Bundesbank -- not noted for its euro-sceptic approach. In its monthly report of October 2003, it says that it can find no evidence that the EU' s Single Market has helped German trade.

In fact the EU' s old-fashioned Customs Union, its *dirigiste*, corporatist regulatory approach, and its "social model" are inimical to competitiveness, and negate any benefits from the much vaunted "consumer market of 400 million people".

Recent studies suggest that the net cost of Britain' s EU membership is around £40 billion a year, or 4% of GDP. This would be an enormous burden even if we had benefits to show for it. But we do not.

A number of people, including notably Lord Pearson of Rannoch, have called on the government for a White Paper setting out a full cost-benefit analysis of our EU membership. The government has refused, ostensibly because "the benefits of membership are self-evident". The cynic may be forgiven for suspecting the true reason: that they know what the outcome would be, and they fear it. That is why the next Conservative government must promise an EU cost/benefit White Paper.

If the EU has done little for jobs and trade, it has done less for democracy. As Tony Benn famously said, "The test of a democracy is whether we can dismiss the people who make our laws". In the UK, as in the USA, clearly we can. In the EU, clearly we cannot. Our democratically elected government in Westminster is forced to accept measures it knows are damaging to this country, (often, ironically, measures for which Labour MEPs have voted in Strasbourg), but which it is powerless to resist.

Former Home Secretary David Blunkett proposed a number of reasonable measures, especially in the field of immigration, which would command the broad support of sensible people, only to see them struck down by the courts on the basis of the European Convention on Human Rights (ECHR) , which his own government passed into law in 1997.

By the government' s own admission, more than half of our new laws now come from Brussels. They are made in foreign institutions where we have no control and little influence. And any influence we have will be steadily diluted as new countries, possibly including Turkey, join the EU and reduce Britain' s voting weight.

The public, perhaps subconsciously, have grasped the fact that "democracy at the European level" is a sham and a delusion, and they respond, reasonably enough, by staying away from euro-elections.

It would be easy enough to list many more of the follies and failures of the EU if space permitted -- the disastrous Common Fisheries Policy, the parliament' s demented commuting between Brussels and Strasbourg, the arcane budget mechanisms, and so on -- but the point is made.

It is because of public disillusionment with the EU that a fringe single-issue party, UKIP, scored a spectacular success in June 2004. Coming from a low base, it scored 17% of the vote, and won twelve out of the UK' s 78 euro-seats.

Conservatives should not underestimate the implications of UKIP' s success. Although their share of the vote declined to 2 to 3% in the General Election of May 2005, and they lost hundreds of deposits, they probably cost the Conservative Party a couple of dozen seats.

A few days before the June euro-election, a poll published in the Times, undertaken amongst intending Conservative voters, showed that a majority of those who expressed an opinion would prefer to leave the EU rather than stay in.

Fortunately, the policy changes needed to recover these voters attracted to fringe rejectionist parties, in terms of electoral tactics, are also the policy changes which are right for Britain.

A constant refrain during the euro-elections, from members of the public of all parties and of no party, was that they had voted in 1975 for trade, for jobs, for a common market, not for the political union which they now see being created around them. It' s not that they want to be "isolated or marginalised" (in Labour' s mendacious phrase). They are not "anti-European". Many of them love Europe, European cars, European wines, European holidays, European golf and football. But they have a

fundamental sense that we in Britain should govern ourselves, and they just can't see why that modest objective should be incompatible with trade and co-operation in Europe.

So that, in essence, is what the Conservative Party needs to deliver. Our Party members, and the country, overwhelmingly want a relationship with Europe based *solely* on free trade and voluntary co-operation.

There are those, of course, who will insist that such a relationship amounts to withdrawal. But given our geographical proximity to Europe, and our shared history over several decades with the EU and its precursors, it would be more appropriate to use Bill Cash's phrase, "Associate Membership".

This would satisfy three distinct constituencies. First, there is a sector of UK opinion, which, while exasperated with the EU and all its works, is nevertheless, after thirty years of EU membership, vulnerable to Labour's rhetoric of "isolation and marginalisation". We are, after all, a conservative nation (with a small "c"). These people would be reassured by keeping a form of membership, although much diluted.

Secondly, there are our current EU partners, who should not be left out of the calculus. For the EU, to have a major economy like the UK withdraw altogether would be a fearsome, perhaps a terminal, loss of face. They would prefer to keep us in some form of membership, at any price, rather than see us go. We saw the profound impact a few years ago when Austria hinted at a referendum on continued membership.

The third group of course is that little handful of speech-writers at Conservative Central Office who have always insisted that withdrawal is not an option. If we are to spare Brussels' blushes, we can spare theirs too!

The Conservative Party is already committed to substantial renegotiation of Britain's terms of membership. We have said, rightly, that we will reject the Constitution and the euro, we will repatriate fisheries and foreign aid, and we will withdraw from the social chapter that Labour so rashly signed in 1997.

We should now pursue this approach to its logical conclusion, and renegotiate or reject all policy areas which are not clearly in the national interest, or where as a matter of principle we insist that an independent nation must have competence.

We will need to quit the CAP, and develop a new, British farm subsidy *régime* within the terms of the WTO.

We will keep, or take back, full control of justice and home affairs, policing; foreign affairs, security and defence; economic, industrial, employment and social policy, including health and safety; transport and energy; environment and public health. We must repeal the ECHR.

We must stress again that we have no intention of being "isolated". In many or most of these policy areas we will be keen to co-operate closely with many countries, including those nearest to us on the continent of Europe. But we will co-operate as a sovereign, independent nation. We will not be subject to the *diktats* of Brussels institutions.

In June 2004, UKIP voters came from three main categories. They had previously voted (1) for the Conservatives; or (2) for other parties; or (3) not at all, either because they reject the EU in principle and declined to legitimise its institutions by voting, or because none of the main parties' EU agendas were attractive to them. There are indications that the third of these groups may have been the biggest -- a factor in the slightly increased turnout in 2004.

All of these groups, especially (1) and (3), are likely to be attracted by the new policy outlined above. On the other hand, there are also, in the Party, a handful of

people who would be dismayed by such a hardening of policy on the EU, and we might lose them. But we shall never succeed as long as we face both ways. We must offer a wide-ranging disengagement from the European project, because it will galvanise the Party; because it is a formula for electoral victory; and above all because it is right for our country.

The stock argument against renegotiation is well-known. We should not be allowed to get away with it, they say. Treaty changes require unanimity. Our twenty-four partners would simply say "NO", and that would be the end of it.

Leaving aside the point that several of our partners might well come in on our side, there is an issue here. If we merely go and ask for our ball back, and our neighbours refuse, what do we do next? And it is here that we have to bite the bullet. Withdrawal is not, and has not been our policy. But if we present the legitimate demands of the British people, validated in a general election, and European governments choose to frustrate our wishes, then the question of our continued EU membership will arise, like it or not.

If our partners clearly understand that their recalcitrance will lead us to question our membership, there can be little doubt that they will offer us any reasonable terms to avoid the body-blow of British withdrawal. If not, then the choice is between staying in on today's basis (and probably accepting tomorrow's Constitution) -- or leaving. Given that stark alternative, there can be little doubt that withdrawal would be in the British interest. Wide-ranging renegotiation is and must be a pre-condition of continued membership.

Policy Action Plan

1. We must offer a new relationship (possibly called "Associate Membership") with Europe, **based solely on free trade and voluntary intergovernmental co-operation**, recognising that this will require wide-ranging renegotiation and disengagement. We will reclaim the independence and self-determination of our country.
2. We must make it clear, at least implicitly, that any failure to deliver a successful renegotiation would trigger demands for a referendum on continued membership
3. We must offer a government White Paper setting out an authoritative cost/benefit analysis of Britain's EU membership
4. We must offer an early referendum on the EU Constitution, with the commitment that a Conservative government would campaign for a NO vote
5. We must be explicit that our renegotiation would cover withdrawal, *inter alia*, from the CAP; CFP; foreign, security and defence policy; justice, home affairs, asylum and immigration; economic, monetary, employment and social policy, including health and safety; transport and energy; environment and public health
6. At the same time we stress our commitment to free trade and market access in Europe, and to intergovernmental co-operation on these policy areas with other nations including our continental neighbours.

First Do No Harm: The National Health Service

By Morgan Long, Political Assistant to Martin Callanan MEP

In 1948 the British Government dropped millions of leaflets on its citizens' doorsteps introducing the National Health Service. The leaflets promised that the NHS would "provide you all medical, dental and nursing care. Everyone -- rich or poor -- [could] use it." However, the leaflets did not reveal that "free," socialized healthcare is rationed healthcare. While the British endured rationed food goods through 1953, many did not realize that their healthcare would be rationed well beyond the 20th century.

The NHS' s "free" service violates the most sacred oath in medicine, "first do no harm." It has turned British healthcare into a classist system: private service for those who can afford to buy themselves out of the NHS, and substandard public care for those who cannot. Government must remove itself from the role of provider and seek to better protect its people. By opening NHS to patient-driven, competitive care subject to market forces, Britons will no longer have a second class healthcare system, but one that enables every patient access to quality care.

The Realities of Rationed Care

Each year in the UK just under a million people wait in pain on waiting lists for surgery. Meanwhile, patients are frequently denied available treatments and life saving diagnostic tests on grounds of costs. All of this "treatment" costs roughly 8% of GDP, roughly the size of economy of Portugal.⁸ "Free" healthcare, apparently, comes at a dear price.

Rationed healthcare produces morbid statistics. According to the Organisation for Economic Co-operation and Development (OECD), Britons are less likely to survive heart disease or cancer than continental Europeans or Americans. For a grim example, a woman in Britain has a 46% chance of dying from breast cancer, while if treated in the US her odds are only 25%.⁹ Men diagnosed with prostate cancer in Britain are faced with a 57% chance of dying, while those diagnosed in the US have a 19% chance.¹⁰

Compounding the problem is a shortage of doctors and equipment. UK doctors see twice as many patients as their American colleagues.¹¹ The US also benefits from twice as many CT scanners as the UK.¹² For those who can find a scanner, odds are is that it is past its recommended safe time life.

In further testament to the demise of British healthcare, a recent OECD report has ranked the UK' s healthcare system as the second worst among 19 nations. Despite how people may feel about "free from the point of service" healthcare, they should question the value of it.

The Quick Fix of Cash

⁸ Body-snatchers. The Economist, 9 September 2004.

⁹ Bartholomew, James. Die in Britain, Survive in the US. The Spectator. 6 February 2005.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

Labour has viewed the chronic ailments of NHS as a money problem. However, despite health being drenched in cash -- with a budget increasing over 7% per year since 1997 -- the NHS is still plagued by resource restraints.¹³ Perhaps part of the cash drain is due to the bureaucratic nature of the NHS itself. The NHS spends £2 billion a year on administrative costs as three new managers are hired for every one doctor.¹⁴ Throwing larger and larger percentages of GDP at the NHS has failed to solve the problem of capacity shortfalls compounded by escalating UK immigration rates and an ageing population. Rather than divert more and more tax revenues to health, government must re-examine how British health needs will best be served.

Making Improvements

Under significant pressure from the public, the NHS is slowly starting to improve. From April 2005 hospitals will be paid by services rendered, rather than a flat operating budget. Also encouraging is the slow incorporation of the private sector. Currently 5% of publicly funded elective operations are provided by private services.¹⁵ Meanwhile Labour has promised to reduce the maximum waiting list to less than 18 months. However, 18 months is still shamefully longer than most people wait for treatment in many European countries and the United States.

The greatest improvement so far has not been made by government bureaucrats but rather by individuals. Over 12% of the population is covered by private health insurance.¹⁶ Given that "free" healthcare has been tantamount to a national and moral right in Britain, government should listen carefully to the changing demands of its constituency. People want to choose more than just their GP, they want to choose their hospitals and their specialists. They want to see a doctor who has time to talk with them. They want access to life-saving diagnostic tests. They want to have say in how their healthcare is provided and who provides it. They want something better than the NHS and its meagre steps towards reform.

Turning Healthcare into Quality Care

The UK is not alone in its experience with an ailing national healthcare system. Switzerland and Sweden have both recently overhauled their healthcare systems. These decentralized systems incorporate consumer choice and introduce third party care providers. One of the most liberalized systems in Europe, the Swiss system limits the state's activity to a social safety net. This precaution ensures that people unable to afford premium health coverage do not receive inferior or inadequate care. Further, Swiss healthcare is a brilliant example of how the government need not be the single payer. The state shares the burden of health insurance with a market that includes public, subsidised private and fully private healthcare. In addition, it provides for local supervision of healthcare -- giving patients greater control over their hospitals while also encouraging innovation.

Even the Swedish healthcare system -- built on socialist values of equality and government control -- has made tremendous reforms in Stockholm by decentralizing

¹³ [Has Tony Wasted Your Money?](#) The Economist, 8 July 2004.

¹⁴ [Press Release: Conservatives unveil plans to abolish hospital waiting lists.](#) 23 June 2004.
http://www.conservatives.com/tile.do?def=news.story.page&obj_id=107797

¹⁵ [Body-snatchers.](#) The Economist, 9 September 2004.

¹⁶ [Health & Care Cover Market Report 2003.](#) Laing & Buisson, 2003.
<http://www.laingbuisson.co.uk/PMI.htm>

and introducing competition. Referred to as the "Stockholm Transition," there is now a clear division between purchaser and provider. Incentives are productivity-based and public contracts are open to a great number of private and public providers. By turning hospitals into limited companies, productivity levels have skyrocketed. One hospital increased productivity by 40%.¹⁷ Introducing market forces has not only produced better care, but also reduced costs for several services such as laboratory work and x-ray treatment. Most importantly, patients benefit from shorter waiting lists and enjoy a choice of providers.

In the US, three states have also changed their state-government-paid Medicaid programmes to include consumer directed care. Under this programme, disabled Medicaid patients, those too poor to afford private health insurance, are given a cash allowance with which to purchase needed services. Initial reports have deemed the programmes a huge success, spurring several additional states to start similar programmes.

In all of these cases, the introduction of patient choice and sharing government' s role of provider with the private sector have resulted in better care for patients. Britain would be turning a blind eye by not seeking similar remedies to its failing healthcare system.

To achieve a better healthcare system, the UK must acknowledge that "free" healthcare to all is not a moral or civil right. A socialist healthcare system is riddled with inequalities because it rations services. People, both poor and rich, will receive better care under a system that is open to competitive market forces where the state' s role is limited to that of a social safety net. People should be encouraged to invest in their own coverage through health insurance tax deductions. Further, they should be asked and trusted to make their own decisions regarding the level of care they wish to receive based on co-payments and deductibles. Meanwhile, NHS hospitals should be forced to operate as businesses where they are judged on productivity and quality of care.

Asking the state to care for more only ensures the poor will receive less. Open the NHS to competitive, demand-driven reforms and everyone -- patients, doctors and taxpayers -- will be better served.

Higher Income Taxes – The Way Forward

By Chris Heaton-Harris MEP

Bizarrely there seems to be a drive from various parts of British "civil" and political society to get the government to raise taxes. Actually anyone looking at the British government's books at the present time would see that the wish of these trendy-lefty do-gooders is almost certainly going to have to become a reality in the next eighteen months, as this government is borrowing and spending way beyond its means.

But casting these future economic woes to one side for a moment, how come it seems no one is challenging those calling for higher taxes to pay for our public services in a more rigorous manner? In fact, how come no one is reminding the British public of the well proven economic fact that the higher taxes rise, the more people will avoid paying them?

So many people seem to have forgotten that when Mrs Thatcher became Prime Minister back in 1979 and set about reducing the higher rate of tax, she found herself

¹⁷ Vaizey, Edward. The Blue Book on Health. Politico' s Publishing, 2002.

benefiting from greater than expected tax revenues. When President John F. Kennedy cut taxes across the board in the 60s, the result was the longest, sustained economic expansion in American history until President Reagan was installed in the Oval Office.

It is dead simple: lower taxes generate more revenue for government and stimulate economic growth.

There are always those that will try to avoid paying any tax, but most people will not go all out to avoid the Inland Revenue if they believe the difference between their gross and net earning both reflects the level of services they receive as a citizen, but also leaves them enough of the earnings they created in the first place to live the way they want to.

In the book "Taxation: The People's Business" by Andrew Mellon, a man who was Secretary of State under the US Presidents Harding, Coolidge and Hoover, this theory is well documented and discussed. The book states: "The history of taxation shows that taxes which are inherently excessive are not paid."

"The high tax rates inevitably put pressure upon the taxpayer to withdraw his capital from productive business and invest it in tax-exempt securities or find other lawful methods of avoiding the realization of taxable income."

It seems that over the past thirty years people have come to understand there is a need for taxation and are generally comfortable with paying tax at a reasonable level; but at what point does this reasonable level become "inherently excessive" – at what point is it worth people trying to find different methods of reducing the tax they have to pay?

We should never forget that one of the best and easiest ways of limiting overbearing, excessive and expensive government is to keep a tight hold of its purse strings, to limit the amount of money it can spend by reducing the amount of money it receives – by cutting taxes. Its only recourse then, if it wants to increase its budget, is to increase borrowing. This option is becoming politically less acceptable as each year passes. It seems that the voting public has become aware that government borrowing simply equals deferred taxation.

It seems daft to argue against the proven theories that show us the benefits that lower taxes can bring; but there again, perhaps in Great Britain in the 21st Century things are changing.

It is fair to say that when people give answers to opinion pollsters, they very much try to tell the truth, but they always see themselves as having a slightly better social conscience than is actually the fact. In a recent poll asking people to place themselves on a scale of left to right in political terms with zero being in the middle, people rated themselves as minus 2 on average.

Other polls seem to suggest that there is a body of people out there across the UK who say they would be happy to pay higher taxes for our key public services.

Well in these times when nearly everyone has to fill out a tax self-assessment form for the Inland Revenue and where we now have the technology to maintain up to date tax records on every economically active person in the country – why don't we let those who want to pay extra tax?

Think about it. We Conservatives believe in all sorts of freedoms and we most certainly believe in choice – so if someone is of a mind where they decide voluntarily they would like to pay an extra 1%, 5%, 10%, etc. in taxes to the government, who are we to stop them?

As these people are voluntarily contributing to our public services, why not allow them to indicate on their self-assessment form not only the percentage of extra

tax they would like to be collected from them, but also which (if any) public services they would like to see this extra money hypothecated to?

So how could this work? Well, in theory at least all adults in the UK fill out a bulky ‘self assessment’ form for the Inland Revenue each year. For many this is the opportunity to try and prove to the IR that they should actually be paying less tax – but why not have an extra page entitled ‘Voluntary Contributions?’ Here people could tick boxes that would allow the IR to adjust their tax code and make extra deductions throughout the following year.

People could also tick boxes to hypothecate part or all of these extra monies to individual government departments.

The government could then, in December publish a list, by department, of the extra amounts – on top of those already agreed in that year’s spending review – that each area can expect from voluntary tax contributions.

Personally, I am not sure as to how many people would choose to take up this option and there would no doubt be an extra administrative cost associated with dealing with those that choose to pay extra tax in this way; but surely voluntarily paying extra tax should be welcomed with open arms by modern day society.

And perhaps allowing this group of people to do this would also be good for the democratic health of the nation.

Let’s say we know a 27 year old dentist, working in Surrey called Alice. She is dedicated to the NHS and has a strong belief in the benefits that well run public services can bring to society and so takes up her option to voluntarily allow the Inland Revenue to take an extra 10% of her salary – and states that she’d like half of this to go to the NHS and the other half into the general taxation pot.

Would she now, as someone who is paying extra, not be more interested in ensuring that her money is not being wasted? Surely, having contributed extra, Alice would be more interested in asking her elected representatives questions about the ways they have voted and directed her money to be spent? If Alice saw money being wasted within the NHS would her reaction change from ‘well it has always been like that’ to ‘hey, that’s my money!’ and push for reform to make her money count?

In fact would Alice become more inclined to vote, to attend meetings where those who manage her money are being questioned (like Health Trust AGMs) and perhaps even more involved in ‘civil society?’

Almost certainly there would be two types of people who would tick the box and pay extra taxation. The younger reforming type, who would almost certainly follow Alice’s example and become more involved trying to make sure that their money actually made a difference and the slightly older ‘feeling guilty’ type who could simply and easily ease their consciences by paying that bit more.

Probably, having voluntarily paid extra tax for a couple of years, the reforming and/or guilt pangs would wear off and the bulk of people who exercised their right to pay extra tax would stop; but this group would always be replaced by others. Certainly for the past thirty years there has been a decent chunk of people who have indicated to pollsters that they would be comfortable with paying a bit more tax.

For a long time now Conservative thought has rightly been focused on simply cutting taxes. Our focus has been fixed because in our recent political history we have had to battle with monolithic government badly run by left of centre politicians. Such governments have often meant Conservative administrations take over an economy in the doldrums and as we have seen proved again and again, lowering taxation boosts the economic fortunes of a nation state.

So we have been right to try and reduce taxes whenever and wherever we can and we should also always aim to reduce the level of general taxation in the future.

But surely, in these more modern times, where the public only occasionally find themselves aroused by the taxation debate, where we have the technology to facilitate the offering of such options, we should let those who really want to pay extra in our society get on and be generous.

It is their money, it is their choice – what do we have to lose?

A Vibrant American Conservatism

By Tom Feeney, Member of the U.S. House of Representatives

From its beginning, America has been bathed in liberty. The Declaration of Independence -- declared "American Scripture" by historian Pauline Maier -- proclaimed: "We hold these truths to be self-evident. That all Men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, and the Pursuit of Happiness..." Philadelphia' s Liberty Bell -- inscribed with the phrase from Leviticus 25:10 "Proclaim liberty throughout all the land unto all the inhabitants thereof" -- rang to announce the first public reading of the Declaration on July 8, 1776.

During the ensuing Revolutionary War, the slogan "Liberty or Death" roused Americans to the independence cause. After winning that fight and establishing a Constitutional government, the historian Walter A. McDougall notes: "What did fire the American imagination was liberty and its fruits, peace and prosperity. The eagle and goddess of liberty were ubiquitous subjects of illustration, the former protecting the latter." Today, ask any immigrant about their new country' s greatest attribute and they inevitably reply: "America is a place where you can be who you want to be." Even newcomers quickly grasp and succinctly define liberty.

Americans fiercely defend their freedom. The first U.S. Navy jack proclaimed this warning: "Don' t Tread on Me." Automobile license plates from the state of New Hampshire prominently display this phrase "Live Free or Die." No nuance here!

As long as Americans love liberty and sustain the will to defend it, America' s conservative movement will remain popular and vibrant.

A subtle translation may assist my colleagues across the pond in understanding this American phenomenon. As Frederick Hayek observed, American conservatism is more akin to European classical liberalism. Because the American experience differs from its European counterpart, traditional European conservatism never gathered much traction in America. American conservatism has more commonality with British conservatives in that both have been inspired by the philosophies of Plato, Locke, Smith, Burke and political heroes like Disraeli, Churchill, and Thatcher.

In democracies, majorities are built around coalitions. So America' s conservative movement consists of a large mansion with many rooms inhabited by libertarians, neoconservatives, paleoconservatives, social conservatives, economic supply-siders, free market boosters, and others. A healthy debate among these groups can be found in National Review, The Weekly Standard, Human Events, The Wall St. Journal' s op-ed page, Commentary, the hallways of think tanks like the Heritage Foundation, the Cato Institute, and the American Enterprise Institute, and the chambers of U.S. and state legislatures.

Trying to provide a complete synopsis of this rich diversity of thought is daunting and beyond this essay' s scope. So a general outline must do for now but will nevertheless provide insight into this sizeable political movement.

Since its inception, America has always been engaged with the world both in diplomacy and trade while opening its doors to a staggering array of races, creeds, and nationalities. Sit in an Iowa coffee shop across from a farmer and you will be drawn into a sophisticated discussion of European Union agricultural subsidies along with the outlook for grain exports to China. U.S. Congressional caucuses (informal

organizations of Congressmen interested in a specific policy topic) follow relations with dozens of countries and regions both prominent and obscure.

American conservatism follows this tradition of engagement. Charges of isolationism are utter canards -- those few lured by the sirens' call of isolationism have been marginalized by today' s shrinking world. However from our viewpoint, America' s engagement with the world is tied to our national interest -- the preservation of liberty.

History demonstrates that freedom is an anomaly, not the normal state of human existence. Accordingly, American conservatives take a sober view of the world and recognize the true nature of our real and dangerous enemies. For example, we don' t view the threat posed by a virulent form of Islamic fascism as a "nuisance." Instead, we place it in the same category as the Gathering Storm in Germany or the Evil Empire in the Soviet Union.

The political allegiances of American conservatives don' t transcend national borders. Our patriotism is maddening especially to many Europeans. We firmly refuse to subordinate American interests to multinational organizations. And American conservatives are not relinquishing American sovereignty to others -- waiting to pass a "global test" before taking action to defend our interests.

Yet, American conservatives eagerly seek to build coalitions and alliances like those that defeated the various forms of 20th Century totalitarianism (communism, Nazism, fascism, and Japanese militarism) and expanded international trade and commerce. In these endeavors, nations join an effort to pursue a common cause but do so for their own -- and often unique -- national interests.

Domestically, conservatives seek to preserve liberty while being respectful of the wisdom contained in civic and social institutions, tradition, and culture. Russell Kirk's *The Conservative Mind* outlines these beliefs and a transcendent order in the following terms:

- No single mind or collective group of geniuses can fully understand the design of the complexities of human relations and the mysteries of a higher law (i.e. God);
- Freedom and property are inextricably linked;
- Custom, convention, and tradition are preferred over a radical change that some visionary dreamed up yesterday; and
- Considerable caution should be maintained before changing the traditions, mores, and conventions that bind our society together -- not just today but over preceding and succeeding generations.

Accordingly, American conservatives resist what Margaret Thatcher labelled "the nanny state" and Bernard Levin described as "the government' s intention of reducing us all to children." We reject such paternalism and prefer to be as Thomas Sowell described: "a nation of independent people controlling our own lives." Limited government remains a touchstone for conservative thought for such limits are inseparably linked to the dignity of free individuals. Finally, we reject utopian schemes implemented by social engineering -- the fetish animating the Left.

During my career as an elected official -- as Speaker of the Florida House of Representatives and now a member of the U.S. House of Representatives -- I' ve

distilled this conservative thought to six principles that guide me as I decide whether to support legislation ("bills"). For the sake of brevity and clarity, I've placed these principles on a wallet sized card and distributed thousands of them to elected officials and supporters. They are:

1. Less Government -- Does the bill tend to reduce government regulations, size of government, eliminate entitlements, or unnecessary programs?
2. Lower Taxes -- Does the bill promote individual responsibility in spending, or reduce taxes or fees?
3. Personal Responsibility -- Does the bill encourage responsible behavior by individuals and families and encourage them to provide for their own health, safety, education, moral fortitude, or general welfare?
4. Individual Freedom -- Does the bill increase opportunities for individuals or families to decide, without hindrance or coercion from government, how to conduct their own lives and make personal choices?
5. Stronger Families -- Does the bill enhance the traditional American family and its power to rear children without excessive interference from the government?
6. Domestic Tranquillity, National Defence -- Does the bill enhance American security without unduly burdening civil liberty?

This succinct guide to preserving liberty was adopted by the Republican Study Committee, a group of 92 free-market, socially conservative members of the U.S. House of Representatives. I urge all of you to draft a similar set of principles to help guide your responsibilities as lawmakers.

Let me close with characteristically American optimism. Sometimes outsiders like France's Alexis de Tocqueville (his *Democracy in America* remains insightful 145 years after publication) best grasp the American character. The British historian Paul Johnson dedicated *A History of the American People* as follows:

This book is dedicated to the people of America -- strong, outspoken, intense in their convictions, sometimes wrong-headed but always generous and brave, with a passion for justice no nation has ever matched.

Because of our differing histories and cultures, Americans can be exacerbating to some Europeans. But American intensity and conviction are inevitably based on our passion for justice and desire to preserve human freedom. Our intentions are honorable. Please don't be persuaded otherwise.

America and Europe share more in common than what divides us. While liberty is deeply ingrained into the American soul, it remains a universal longing. Europe knows only too well the devastating consequences when liberty is threatened and lost. Let's rededicate ourselves to the common cause of preserving freedom and human dignity -- difficult struggles we've joined before and won.

Biographies

Martin Callanan MEP

Martin was first elected MEP for the North East region in 1999. He is a member of the Environment, Public Health and Consumer Policy Committee, and a substitute member of the Employment & Social Affairs Committee. He chairs the Political Affairs Committee of the ACP-EU Joint Assembly and is a substitute member on the Central Asia and Mongolia Delegation as well as the Ukraine Delegation. In addition, Martin serves on the Media Support Center Foundation Committee Board (Kyrgyzstan) along with US Senator John McCain.

Dan Hannan MEP

Daniel Hannan is a leader-writer for *The Daily Telegraph* and a columnist for *The Sunday Telegraph*. He also writes for a number of European newspapers, and has a regular column in the German daily, *Die Welt*. He has been a Conservative MEP for South East England since 1999, having previously worked as a speechwriter. He is President of the Referendum Group, a pan-European network of campaigners against the EU Constitution. He speaks French and Spanish. His publications include *A Treaty Too Far*, *The Euro: Bad for Business*, *Time for a Fresh Start in Europe* and *What if Britain Votes No?*

Chris Heaton-Harris MEP

Chris was first elected MEP for the East Midlands in June 1999 and currently serves on the Internal Market Committee and as a substitute on the Budgetary Control Committee. Chris was responsible for bringing the case of Marta Andreassen, the European Commission's Chief Accountant, to public attention back in August 2002 and has been at the forefront of fighting fraud, mismanagement and waste within the European Commission and other European Institutions. He was the Chief Whip for the Conservatives in the European Parliament from 2001 to March 2004. He is a founder member of the "Campaign for Parliamentary Reform", set up by nine younger MEPs in 2001 to attack the waste and bureaucracy within the European Parliament itself. He is Chairman of the UEFA sponsored "Friends of Football" group of MEPs and President of the European Parliament's "Sports Intergroup". Chris is a Grade 5 qualified soccer referee and is married with two children.

Roger Helmer MEP

Roger was first elected MEP for the East Midlands region in 1999. Roger was elected Treasurer of the Conservatives in the European Parliament in December 2004. He is a Member of the Employment & Social Affairs Committee, and the Petitions Committee of the European Parliament and a substitute Member on the Environment, Public Health & Food Safety Committee. Roger is also a member of the ASEAN and Korean Delegations of the European Parliament. Roger's major political focus is to preserve the national sovereignty and independence of the UK. He was Managing Director of local textile company, Donisthorpe & Co. Ltd, before his election to the Parliament, and previous to this spent over 30 years in international business, based mainly overseas.

Morgan Long, Political Assistant to Martin Callanan MEP

Morgan is the political assistant to Martin Callanan MEP. Prior to joining Martin's Brussels office, she served as the federal relations director and telecommunications expert for the American Legislative Exchange Council (ALEC) in Washington, DC. ALEC is a non-profit, state legislative organization with over 2200 state legislative members. Morgan has testified before various state legislators on telecommunications and information technology policy.

Neil Parish MEP

Elected in 1999, Neil Parish is a Conservative Member of the European Parliament for the South West. Neil currently sits on the Agriculture and Fisheries Committees in the European Parliament. He is the Conservative Delegation Agriculture Spokesman. Neil's other roles in the European Parliament include Deputy Chief Whip of the Conservative Delegation, Chairman of the Delegation for Relations with Australia and New Zealand and Vice-President of the Intergroup on the Welfare and Conservation of Animals. Neil stands up for British farmers and played an instrumental role in founding the European Parliament Temporary Inquiry into the Foot and Mouth Disease in 2002 that damned the government.

US Congressman Tom Feeney

Congressman Feeney represents the 24th District of Florida in the United States Congress where he serves on the Financial Services and Judiciary committees as well as the Science committee, and serves as a Deputy Whip. In his first term in Congress, Feeney introduced and passed an amendment to the PROTECT Act which makes it more difficult for federal judges to issue sentences below the federal sentencing guidelines in cases involving kidnapping, violence or sex crimes against children. Additionally he co-sponsored and led a reform to the tax code which allows Florida taxpayers to deduct the amount of sales tax they pay, in lieu of deducting a state income tax. Congressman Feeney also co-founded the Washington Waste Watchers, a working group formed to combat waste, fraud, and abuse in federal government.