



THE CAERULEAN

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The Need for a Moral Consensus Contextualising Social Conservatism for a 21st Century Britain

It is often forgotten that the most radical British government of the twentieth century, that of the Labour administration under the premiership of Clement Atlee was by modern standards highly conservative on social issues such as abortion, capital punishment and divorce. While it is commonplace to speak of the bipartisan consensus regarding the formation of the national welfare state in the immediate aftermath of the Second World War, another consensus that also predominated but that all too frequently remains forgotten is that of the 'moral consensus'. It is this moral consensus, that perhaps more than the programme of welfare reform pursued in the wake of the Beveridge report underlined a period of national solidarity that is increasingly regarded as a golden period of social mobility that was also accompanied by low levels of crime, family break up, unemployment and high levels of social capital and working-class aspiration.

Indeed it is not until the Wilson government and some twenty years after the landslide victory of Atlee that Labour came to occupy a clearly distinct terrain from the Conservative party on social as opposed to economic issues. This should come of little surprise given the historical roots of the Labour party in working class abstinence and self-improvement societies and the quasi-religious proselytizing of early party leaders such as Keir Hardie and Ramsey MacDonald who found their political beliefs informed almost as much by their religious faith as their belief in the validity of socialist doctrine.

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Such context serves as a useful reminder that on social and cultural issues the Labour and Conservative parties shared broadly similar views, such views themselves being informed by what would be referred to in contemporary terms as 'social conservatism'. While the Conservative party's genus of this social conservatism extended to advocating the continued hegemony of a 'ruling class' while Labour's did not, both did articulate visions of the 'good society' that was centred around the interests of the community being of primacy over one's own rational self-interest and the recognition that authority should be respected. While the contemporary debate has moved to issues of a 'respect agenda' and how we might inculcate higher levels of 'social capital,' one can clearly situate both concepts within the shared bipartisan social conservatism of our country's two great parties some fifty years ago before such terms were even in the political lexicon.

Such an observation of this bipartisan consensus should not be seen as a eulogy to the retrogressive views that were common before the 1960's, (this author favours equal rights of homosexuals, the right to divorce, abortion etc) nor a panegyric to a pastoral idyll of a 1950's that can never be reconstructed, but instead should serve to remind us that in the 21st century it should not be an inconsistent position to advocate a redistribution of capabilities and a more favourable tax regime to low earners, whilst also articulating a belief in the importance of respect, deference, work over welfare, a sense of collective moral purpose and the primacy of fulfilling of one's responsibilities before demanding one's rights. For too long what Christopher Hitchens has called a 'soft Fabian consensus' on social issues has hindered the left from remaining true to its original mission, this mission being to improve the lives of the very poorest so that they may live lives of dignity and self-reliance. To change the paradigm of the distribution of capabilities should not mean to also advocate a dependency culture of welfare benefits over work or individual egoism over collective duty. While the two major parties may substantially disagree over a number of key issues Ian Duncan-Smith's Centre for Social Justice's recent report of *Breakthrough Britain: Dynamic Benefits* seems a continuation of the excellent 'workfare' policies of former Labour cabinet member James Purnell in his short time as head of the Department of Work and Pensions.

Let us hope that in the period of fiscal authority that will inevitably follow next year's general election that the two parties can unite on this most crucial of areas. Mutually agreeing on the necessity of delivering a respect agenda and how to foster higher levels of social capital, self-reliance and working class aspiration, while reducing the size of the state, eliminating a 'benefits culture' and renewing a collective 'can do' attitude among our country's very poorest. In response to the failings of political, economic and cultural institutions in the first decade of the 21st century it is often claimed that increased social capital is a fundamental prerequisite, this author agrees but such an undertaking can only be successful if allied with those fundamentally socially conservative values of diligence, deference and duty that have seen us through far harder times than these.

[Aaron Peters](#)

You Can't 'Build Up the Weak by Pulling Down the Strong'

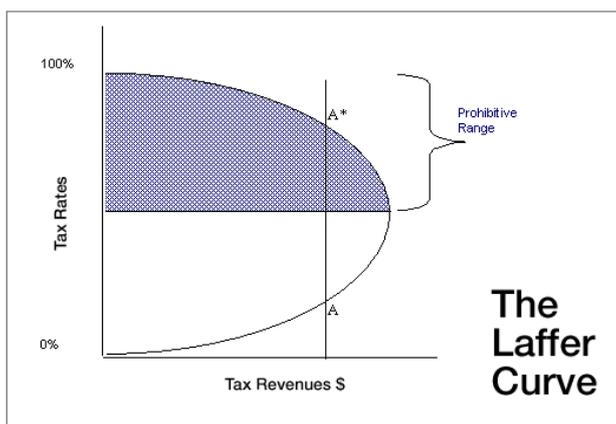
In 1924, Secretary of the US Treasury Andrew Mellon wrote, "It seems difficult for some to understand that high rates of taxation do not necessarily mean large revenue to the Government, and that more revenue may often be obtained by lower rates." That this perennial truism is displayed so evidently today in modern Britain, amongst the vitriolic politicking of almost the entirety of leftist economic discourse, is quite frankly intellectually offensive and displays a complete lack of integrity.

In 1921 the Republican Harding administration had been elected into office at a moment when the top marginal rate of tax was 73%. Concurrently the interventionism of the Wilson era, an increasing federal expenditure and the Great War had seen the U.S. budget deficit rise exponentially. Harding's fiscal response was two-fold. Firstly he pushed through measures enforcing tax reduction, repeal of wartime excess profits tax and reduction of railroad rates. He simultaneously created the Bureau of the Budget, through the Budget and Accounting Act of 1921, becoming the first president to take a role in federal expenditures. The Act required the head of General Accounting Office to "investigate, at the seat of government or elsewhere, all matters relating to the receipt, disbursement, and application of public funds, and to make to the President and to Congress, reports and recommendations looking to greater economy or efficiency in public expenditures."

After Harding's untimely death in 1923 these fiscal lines were pursued (indeed more rigorously) by his successor, (and the intellectual precursor to the Reagan administration) Calvin Coolidge. Coolidge's taxation policy, and that of his Secretary of the Treasury, Andrew Mellon, manifested in Bills such as the Revenue Act of 1924, entrenched the notion that taxes should be lower and that fewer people should have to pay them. Congress concurred, and the personal direct tax burden on Americans was dramatically reduced in Coolidge's term. Expressing the axiom that "73% of nothing is nothing" Mellon was influential and his tenure as Treasury Secretary saw a reduction in the top rate of income tax to an eventual 24%, less than one third of its level eight years previous. In addition there were also vast tax breaks for lower brackets.

In addition to policies directly affecting fiscal income, his fiscal expenditure policies were also to mirror Harding's earlier direction. Coolidge proposed reductions in federal expenditures to retire federal debt and to that end vetoed several expenditures proposed by Congress including for example the McNary-Haugen Farm Relief Bill of 1926, designed to allow the federal government to purchase agricultural surpluses and sell them abroad at lowered prices. With a retrospective tone toward the end of his tenancy Coolidge declared that 'Perhaps one of the most important accomplishments of my administration has been minding my own business.'

The result of the collective eight year Republican tenancy was a exponential reduction in federal debt largely accruing from a **rise** in personal income tax receipts of \$719 million in 1921 to over \$1 Billion in 1929. Here's why:-





This is the great economic contribution of Arthur Laffer one of time magazines 'One of the hundred Greatest minds of the 21st Century. The Laffer curve is a unique pedagogical device that captures the important role of incentives in a free economy. The application of the curve to the structure of the tax system allows for a visual representation of what happens when taxpayers respond to disincentives to pay taxes: Tax revenues fall when tax rates are high.

Using the example of taxes, the act of lowering or raising tax rates has two revenue effects: the arithmetic effect and the economic effect. The arithmetic (or static) effect is obvious: When you raise tax rates, you get more tax revenue. The economic or dynamic effect recognizes that, at certain high levels of taxation, people will not work, save, or invest. In the extreme, a zero tax rate produces no revenues and a 100 percent tax rate is likely to produce minimal revenues. Add to this an economic geographically mobile society, where particularly the top quintile is exceptionally mobile, (with highly transferrable skills, a higher rate of lingual ability and the capital to uproot) and we see why the Institute for Fiscal Studies expects the raise in the top rate of tax to have a 'negligible if any' effect on government revenue.

So we see the similarities with the reviewed American period. Of course then as now the prevailing fiscal consensus suggested expenditure cuts to meet the debt burden. But the tax policy of the government is entirely contrary to that which has proved successful before. Given the huge and intense economic competition in high skill sectors dis-incentivising our top earners in this way could well be economically catastrophic. The cold reception to Mr. Osborne's pledge to refuse to immediately rescind the top rate increase, 'in the interests of fairness,' at the Conservative Party Conference was entirely merited. Not only is the taking of 50% of any income to fund further unproductive, eye-catching centralization an abomination, it is also economically imprudent. Whilst Conservative commitments to a Quango sunset clause and a 33% reduction in Whitehall cost are very positive, if a 'culture of sustainability and saving' is really sought, the taxation burden needs to be shifted from income to consumption in order to incentivise entrepreneurship and productive efficiency whilst fostering long term investment and saving. The rescinding of the 50% tax rate should be an immediate priority of any Conservative government paid for initially by a rise in ad valorem taxes such as VAT and the internalization of the cost of economically negative activities including measures such as 'pollutant' taxes and behavioural modification taxes. The ultimate aspiration should be lower taxes with fewer people paying them but in the financially difficult interim one (in the words of Coolidge) should not 'expect to build up the weak by pulling down the strong.'

Bella, horrida bella, Et Thybrim multo spumantem sanguine

"Bella, horrida bella, Et Thybrim multo spumantem sanguine"

Those of you fluent in Latin you may recognise this quotation as "War, vicious wars I see ahead, and Tiber foaming blood" (Aeneid, p162, Book VI, Line 132, Everyman) taken from Virgil's masterly epic poem the Aeneid, referring to the impending conflict between Aeneas' Trojans and Turnus' Latins. However, for the less linguistically apt, this quotation may strike a chord due to its use by Enoch Powell in his infamous "Rivers of Blood" speech given in 1968. This speech is seen as a watermark in race relations in this country and subsequently Enoch Powell and the



However a certain Mr Hannan in a recent interview with “Reason TV” cited Powell as an influence. He commented that “In the British context, Enoch Powell ... as somebody who understood the importance of national democracy, who understood why you need to live in an independent country and what that meant, as well as being a free marketer and a small-government Conservative.” This comment was of course jumped on and used as a proverbial stick to beat the Conservative party with. However I am going to defend Mr Hannan and I am also going to even attempt to put forward an argument which says that the “Rivers of Blood” speech showed a level of foresightedness which should be recognised.

Let us first consider the “Rivers of blood” speech. My first comment is to say that I do not agree with the majority of Powell’s comments and views. His belief in funding re-emigration of immigrants and his desire to almost bring a halt to immigration are intolerant and short sighted. Britain is all the better for the levels of immigration it has been exposed to. Not only has immigration vastly aided and diversified our economy but, more importantly it has added to the cultural richness of Britain. This could not have been achieved without immigration.

However despite this, there is a level foresight apparent in Enoch Powell’s speech and the current political parties should take a step back and acknowledge it. Powell says:

“They found their wives unable to obtain hospital beds in childbirth, their children unable to obtain school places, their homes and neighbourhoods changed beyond recognition, their plans and prospects for the future defeated; at work they found that employers hesitated to apply to the immigrant worker the standards of discipline and competence required of the native-born worker”

This quotation then leads Powell to say that as he looks into the future he is “filled with foreboding. Like the Roman, I seem to see “the River Tiber foaming with much blood”.” Whilst Powell’s concern is with the British worker alone, which is not something I support. (Unlike Gordon Brown or Nick Griffin I do not believe that British Jobs for British workers should be pursued as a policy.) However the intelligent politician should see this as a warning against unplanned immigration and at the moment, we as a country are experiencing the negative effects that Powell prophesied. The NHS is suffering from long waiting lists and teachers within schools are struggling to teach classes due to the large number of first languages spoken within classrooms. This is not fair on anyone, everyone in this country regardless of race deserves equal access to the benefits of the state and unfortunately that is not the case at the moment. Whilst I doubt Powell had everyone’s best interest at heart, surely we must acknowledge he was correct in predicting the negative effects on our society unplanned immigration would have? Whilst unlike France, we have not reached our “Rivers of blood” moment, if more attention is not paid however to the issue of immigration who is to say it will not happen soon?

Whilst the content of the speech is something that should be considered largely negative, what we must ultimately see as the worst aspect of the “Rivers of blood” speech is the way it is used by people all over the political spectrum as a way to score political points. Powell himself recognised the speech was going to “fizz up like a rocket but whereas all rockets fall to earth this one is going to stay up” However one would have hoped politicians would have ignored the majority of the speech and let it fall into obscurity, as it should be allowed to do.



In order to move on from the worst elements of the “Rivers of blood” speech it is important to ignore it, but by Labour continuing to use this speech as a political weapon they are playing straight into the hands of the BNP.

The issue of this is further highlighted by the BBC’s morally bankrupt decision to allow the BNP a slot on Question Time. France has shown that by giving air time to extreme parties it can directly cause an increase in votes for the party. Jean Marie Le Pen rose to prominence largely on the back of the National Front being given a position on the French equivalent of Question Time. So why on earth have the BBC decided to allow the BNP the air time to outline their policies when the best way to remove the BNP is to completely marginalise them as a party. It is the sheer arrogance of the BBC who misguidedly feel that when put under pressure the BNP will fall flat on their face and their support will fall away. Historical precedence proves however, that this is not the case and it reveals the decision of the BBC to be just another case of misspent tax payers money and a level of detachment from society that in contrast makes Stalin look in tune with the needs of Eastern Europe!

The question of Enoch Powell and how to deal with the “Rivers of Blood” speech is complicated. Whilst some can argue the speech had a point of merit, and it rightly should be argued; it surely must be concluded that on the whole the speech was largely negative. Of the man himself, it is hard to know what to think, however this topic should be set aside for now. The most important factor however, of this whole issue is the way the speech is presented and used. The “Rivers of Blood” speech in my opinion is not one that deserves the attention and venom it receives; it should be left to the obscurity of history. The shameless use of it by the Labour party reveals the desperate lengths they will go to attack the Conservatives, as is shown by the attacks on Mr Hannan (A man who pledged his support for Obama long before it became fashionable, and as an economic libertarian holds vastly differing views to Powell on race). Despite the more damaging effects it has on society by revealing Powell’s less polite views to another generation, the Labour party continue to act in this selfish way by referring to the speech. I am going to finish this article with an all too relevant quotation from the same section of the Aeneid, it is so relevant that one wonders if Powell (being a first rate classicist) had this passage in mind when choosing his original quotation! The passage reads as follows;

“These were the sentences, in which the Sibyl of Cumae from her shrine sang out her riddles, echoing in the cave, dark sayings muffling truths, the way Apollo pulled her up raging, or else whipped her on, digging the spurs beneath her breast”

(Aeneid, p163, Book VI, Line 148, Everyman)

It does not take a genius to work out who the Sibyl represents and who Apollo represents within this passage.



Editors Note –

I would like firstly to offer a warm welcome to our new, and indeed returning, members. I expect this year to build greatly on the success enjoyed last year, with excellent speakers, events, discussions and of course copious wine drinking. For our new guests, The Caerulean publication offers a chance for Conservative minded students and individuals to express their opinion on issues to the UCL Conservative body. If your articles are well written, persuasive and entertaining they will also be reprinted this year in a University wide cross-political magazine Partisan, of which I am an executive editor. So I very much encourage you to write as an excellent opportunity to be embellished on your C.V. and as a genuine aid to forming argument and opinion constructively. In that spirit I intend to keep Michael's (previous editor) excellent idea of allowing one dissenting article per issue. If anyone would like to write a response the following issue this would be most welcome. Look forward to seeing you all at future events.

Tom Parkinson

The Fifth Column:
Home to the comment of dissenters' in our midst!

Why a Social Republic must form Labour's new vision for Britain

Currently, there is a debate taking place on the left as to what our vision and purpose for the future should be. The uber-liberals James Purnell and Richard Reeves have been arguing for the creation of a Liberal Republic. This is a society where individuals have the power to determine their version of the 'good life'. For them, the good society is one composed of independent, capable people charting their own course, rather than a perfect shape to be constructed by the elite. However, this vision is inherently flawed. The good life and good society are inextricably linked. They are two sides of the same coin. To pursue one and not the other would result in a messy and chaotic society, which Reeves duly accepts. This isn't a good enough vision for the Labour Party, and indeed the left.

That is why we need to be arguing for a 'Social Republic'. This is a society of empowered and free individuals who govern themselves through a belief in the spirit of the collective. The life individuals live and the world they live in are synonymous. To create a good life for one, we have to create a good society. And vice versa. This Rousseau inspired vision means we have to embark on our ambition of freeing people and empowering them in their lives while strengthening our notion of the common good. Philosophically, this ideal is about leaving no one behind in life, and giving all equal opportunities and a stake in society. I am opposed to Reeves creation as it seeks to develop the unencumbered-self, which in its purest form will encourage aggressive individualism and self-interest. These are inherent human qualities, but they must be nurtured through a collective spirit. We live not just as one in society, but as many.



In order to realise the dream of a Social Republic we need to launch a radically different vision of politics. It has to be one that empowers individuals, strengthens communities to build genuine civic and social bonds, and embodies fairness and equality of opportunity in life. No one can ever be left behind. Radical constitutional reform would be a great starting point. We need to argue the case for an AV+1 voting system. A referendum must be held at the next election. People will possess greater powers if they have stronger representation.

We need to finally deliver on a fully elected House of Lords with a new Citizens Convention overseeing Parliament. There needs to be a debate on separating more powers of the legislature and the executive, as the role of MP's has become blurred in recent decades. Select committees need to be given greater legislative and scrutiny powers. They also need to become more independent. On the ground, a right to recall should be introduced. More budgetary oversight and spending powers need to be given to local councillors and politicians. If politicians are held accountable for local services, they need the power to duly hold them to account. Labour should finally stop dilly-daddling on their ambition and promise to lower the voting age to 16 and do it! Compulsory citizenship classes should be introduced to support this.

The great academic and thinker Amartya Sen has done some brilliant work on capabilities and the politics of well-being. Rather than take the purest form of his work as Reeves and Purnell do, we need to create a culture of 'collective capability transformation'. I reject the notion of the unencumbered-self as an aspiration for society. Yes, individuals must be liberated and empowered to lead their lives as they so wish. But this dream must apply to all, and not just a select few. As I said earlier, no one can be left behind. That is why I oppose the introduction of co-payment for public services and an educational voucher system. I don't doubt for a second that grammar schools and a system of vouchers for parents to acquire private schooling for their children could make a real difference. But it will be only for some. And that is the problem. There are simply too many variables and external factors.

Academies are brilliant as they embody the spirit of collective capability transformation, where all who attend, and importantly can attend, get a first rate and high-quality education. Everyone is given the chance to benefit from an inventive and dynamic education programme. Similarly, this is why I oppose the tory policy on NHS medical records being handed over to private companies and privatising the delivery of international aid and assistance. Only those who have the capability to benefit or are lucky enough, will do so.

Britain now proudly holds the second best higher education system in the world. There is an abundance of talent and hope in our Universities. Yet, we still very sadly have incredibly poor and disadvantaged communities. We need to interlink and connect these aspects of British life like never before. A 'graduate rebate', where students at university who volunteer to partake in active community work in these neighbourhoods are able to earn a rebate from the government towards part of their fees and loans. Such an idea would reward positive citizenship, social work and provide a welcome financial relief for hard-pressed students. But most importantly, it would get the best and the brightest of Britain into the most disadvantaged areas of the country. It would be transformational in inspiring a new revolution in social mobility and skills transferring. These are just some of the ideas that would help to build a Social Republic in Britain. There will always be more that we can do. We must never waver in our aspiration for more. This is just the beginning.

[Rayhan Haque](#)