

# OLD HEROES P

As we have done in each of the last three Liberal Democrat leadership elections, in 1999, 2006 and 2007, in June the Liberal Democrat History Group asked both candidates for the Liberal Democrat leadership to write a short article on their favourite historical figure or figures – the ones they felt had influenced their own political beliefs most, and why they had proved important and relevant.



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## Tim Farron – *William Beveridge, Simon Hughes*

**M**Y HEROES ARE TWO people who exemplify my Liberal beliefs, Sir William Beveridge and Simon Hughes: very different individuals, one a thinker and one a campaigner, but both of them endlessly inspiring and motivating. And both of them good men, humble men who worked for the causes they believed in rather than for their own self-advancement.

William Beveridge never led our country or our party. But he changed both in a spectacular way. You will, of course, have heard of the Beveridge Report, with its boring title – *Social Insurance and Allied Services* – hiding its radical proposals for an assault on the ‘five giant evils’ of squalor, ignorance, want, idleness, and disease. In this and his second report – *Full Employment in a Free Society* – he identified the slayers of these evils: state education, a welfare state, full employment, decent homes and the National Health Service.

The solutions he put forward, together with the economic policies of his fellow-Liberal John Maynard Keynes, formed the consensus which underpinned the economic and social policies of Western democracies for a generation. They improved the lives of countless millions, and helped to steer Britain towards the greatest degree of equality it has ever known – until Thatcher’s Tories startled to dismantle them.

Beveridge had the audacity to think the biggest and best of ideas and to make them happen. And he did this against the backdrop of the tightest fiscal contraction this country had ever seen. That is a lesson

for us today as we seek to build a new consensus.

I count myself as a Beveridge Liberal, not so much because of the individual proposals he put forward, but because he looked beyond what was thought to be possible towards what he believed was necessary. I want our party to recapture his spirit of ambition, his inspired and inspiring confidence that government can make a difference; that in the face of huge challenges, politics and economics can provide positive solutions to make things better, that government should roll up its sleeves, not wring its hands.

Beveridge was a big-picture visionary. He was an MP for a year, but I can’t really imagine him doing a regular *Focus* round! When I need inspiration in the day-to-day grind of politics, when I’m out on the doorstep in the freezing cold or the driving rain, when the political fight just seems too difficult, then I remember my second hero, Simon Hughes.

Simon is the campaigner’s campaigner. Winning the Bermondsey by-election in 1983 – in what looked like very unpromising territory for Liberals – he then held the seat for eight further elections, for 32 years’ uninterrupted service. He exemplified the community politician, devoting his time to serving his constituents. Stories abound of his constituency surgeries lasting until well past midnight, with people queuing round the block to see him; his having to be retrieved from constituents’ homes during a canvassing session because he’d spent so long talking to them; and of constituents buttonholing him

# FOR A NEW LEADER

even during a dance at the Ministry of Sound.

But he was never only a 'good local MP'. He fought for what he believed within the party, famously defying the Alliance leaders over their crazy idea of a 'Euro-bomb' in 1986 – his speech probably swung the debate – and consistently arguing for the party to take a more

radical line. His stints as the Liberals' and Liberal Democrats' environment spokesperson in 1983–87 and 1990–94 were crucial in establishing us as the greenest of the main parties. And you have to love someone who introduces the word 'seventeenthly' into a Parliamentary debate!

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## Norman Lamb – *John Maynard Keynes*

**M**Y LIBERAL HERO WAS never elected an MP. He was an economist, a Treasury civil servant, and finally a Liberal peer. As one lone man, through his determination and his vision he literally changed the world. He created the conditions in which Europe could turn its back on conflict and work to build a lasting peace.

His name was John Maynard Keynes.

After a promising start to his career as an academic economist at Cambridge, Keynes put his skills to use in the Treasury in the First World War, helping to finance the war effort; he quickly built a reputation for delivering the impossible.

At the end of the war, he was asked to represent the Treasury at the Allied peace talks. He understood the workings of the global economy better than anyone else at that time, and argued against crippling reparation payments. He believed that lasting peace should be based on a shared interest in prosperity: the politics of hope, not fear.

Keynes's liberal and generous-spirited argument lost out in the Versailles peace talks, but he did

not give up. That summer he wrote what must be one of the only economic tracts ever to become a world best-seller, *The Economic Consequences of the Peace*. It was too late to stop the flawed Treaty of Versailles, but Keynes' book changed public opinion.

And over the coming decades, he was proved right. The reparations were unsustainable, and Germany slid into a period of economic depression, ruinous hyperinflation and political instability that destroyed the fragile political consensus and triggered the rise of extremism.

Keynes saw vividly, in the smoke-filled rooms of Versailles and in the angry rhetoric of Allied leaders, the foundations being laid for the Second World War. He understood that, for any political system to be stable and enduring, it must first of all be fair. If the German people had no economic stake in the political settlement, it would not last.

With the onset of the Great Depression of the 1930s, Keynes published the culmination of the theories he had developed, arguing for an activist government that invested in infrastructure

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during recession to drive up demand, rebalance the economy and create jobs. Keynes challenged the classical economic consensus, and won the battle of ideas that ultimately triggered the New Deal in America. For the first time, government consciously sought to tackle recession by increased borrowing and spending.

A decade later, when the Second World War was coming to a close, it was to Keynes that Britain turned to negotiate a peace that would last. Keynes used his influence to redesign the architecture of the global economy. He was driven by the crucial liberal principle that no country must be left at a disadvantage by the rules of the economy. He wanted the wealthiest nations – in particular the US – to stabilise and support the economies of countries suffering deficits in the aftermath of war.

Keynes didn't get everything right. Today his theories don't properly reflect the way that consumer spending relies on private borrowing. And modern macroeconomics broadens out his approach to look beyond consumer demand to a range of other measures of an economy.

But Keynes' vision – of a global economy where countries co-operated, where prosperity would be shared, and where government was proactive in making the economy work in people's interests – laid the basis of a peace that has now lasted for seventy years. It created the conditions that meant Britain could afford the first steps towards creating the National Health Service despite a level of public debt after the war unprecedented in modern British history. And it speaks clearly to the values that are still so important to me today.