

The British Conservative Party After Liz Truss?

1. The Death of the British Queen

Late in 2022, the death certificate of Queen Elizabeth II of the UK was made public. It put down the cause of her death as 'old age'. She was, indeed, 96 years old, and she had been experiencing some problems with mobility for a while. But she was well enough to meet with Liz Truss when she was appointed leader of the British Conservative Party – just two days before the Queen died. Cynics might wonder if the brief encounter with Liz Truss was too much for her.

My concern, in this piece, is to pose the question: may the brief encounter with Liz Truss also be too much for the British Conservative Party? The Conservative Party is a good bit older than was the Queen, dating back to the 1830s. It also has been facing some recent difficulties. Will it survive the encounter with Liz Truss?

It might be thought: but was Liz Truss's brief and disastrous period as Prime Minister significant? After all, as a commentator in **The Economist** suggested, 'Take away the ten days of mourning after the death of Queen Elizabeth II, and Truss had seven days in control. That is roughly the shelf-life of a lettuce.'¹

I think that there is more to it. For on the one side, Truss represented one way in which politicians might try to make sense of Brexit. On the other, her failure indicated what some

of the problems are facing one substantive approach within the British Conservative Party, which I will discuss later.

First, then, Brexit. The vote for Brexit was an exercise in populism, but one which it was difficult to make sense of. The vote for it appears to have had a range of different motivations. In part, it was a matter of people's frustration that things in Britain did not seem to be going well, and that changes had taken place which made people feel uneasy – such as economic changes which had undermined established ways of life without offering significant benefits and alternatives, and large-scale immigration.² To people concerned about this, the Brexit campaigners' slogan of 'take back control' made considerable appeal.

In part, there were concerns about sovereignty. This seems to me a mix of issues. There is at one level an abstract concern on the part of some political theorists, which seems to me less than cogent,³ and hardly a matter that should be of practical political concern. (It is not clear to me why anyone should care if the same legislation is imposed on us, or given to us by some Parliamentary body.) There were, however, some more concrete issues associated with this. On the one hand, if different countries make trading agreements for the free movement of goods, these are bound to be subject to rules, and to forms of adjudication, which lie outside the ordinary procedures which govern a country's domestic politics and legislation. This, however, may not be readily understood by a country's citizens, and is the kind of thing that could easily be misrepresented by unscrupulous politicians, and certainly was in Britain.

In part, there were issues about free trade and federalism. Britain had a long history of favouring free trade, and of being uneasy about deeper political alliances. (Bernard Porter's **Britannia's Burden**⁴ offers an invaluable – and witty – guide to this, over the period 1851-1990, which displays the degree to which Britain's current concerns, and problems, are rooted deeply in its distinctive history.) A key aspect of Britain's uneasy relationship with the EU, was that what Britain had wanted was membership of a free-trade organization, but that was not what the EU was all about. Britain pushed for as much free trade as it could get the EU to agree to (and for this to be extended to services). But the EU was, at its heart, a project that involved political integration, which some took to the point of advocating federalism, to which Britain was utterly opposed.

Liz Truss had not supported Brexit. But she was subsequently appointed to a cabinet position which involved her in trying to negotiate free-trade agreements (in which – unsurprisingly – she was remarkably unsuccessful). An important aspiration of hers, as Prime Minister, was to aspire to reducing regulations in ways which would make Britain more competitive, internationally. This – together with free trade agreements – offered a way of making sense of Brexit as aiming that Britain should become what was often referred to as 'Singapore on Thames'. But while this in principle might make sense, it was never clear that there would be domestic support for such changes (I will say more about this, below), or that other countries would welcome free trade agreements with a medium-sized, developed economy which wished to conduct itself in this way.

In this respect, it seems to me, Truss's failure marked the (predictable) failure of the one strategy which, in economic terms, might have made sense of Brexit. It marked, in the

end, the death of British policies which have characterised its approach to Europe and the world for about 200 years. It seems to me that the only option for Britain was, in fact, to reinvent itself as a medium-sized member of the EU, and to press, within that, for as much diversity, and as much free trade in services as it was possible to get other members to agree to. It is not clear, however, that this is an option that a major British political party could embrace and get political power. But without this, it is not very clear what Britain will do.

2. Current Conservative Party Difficulties

What is going on, currently, is fairly straightforward. In the face of the problems that the Conservative Party was facing with Boris Johnson,⁵ increasing numbers of his colleagues resigned from the Cabinet. Despite his own clear wish not to give up the job, Johnson had to stand down as party leader. This triggered a process for the election of a new leader. Initially choices were made by Conservative MPs, but the final choice between the last two candidates was made by ordinary members of the Party. They are an ageing group, predominantly male, and predominantly living in the South of England. They made a choice for Liz Truss over Rishi Sunak, who is of Indian extraction. This was not a matter of race – the Conservative Party has a good number of people from minority groups in senior positions (albeit typically people who are wealthy, and in recent years educated at Britain's expensive private schools). It was more that Truss addressed them in broadly Thatcherite themes, and also promised tax cuts, while Sunak was much more conservative in his claims about finance.

Truss won the contest, and, indeed, she and her new Chancellor of the Exchequer (Finance Minister) did just what

she had said that she would. They undertook to give quite generous support for individuals and industry in relation to rising fuel costs. In addition, they offered a programme of tax cuts – including, notably, for the highest earners, whose marginal rate of taxation they wished to reduce from 45% to 40%. The tax cuts were supposedly for the sake of generating economic growth. But while there is general agreement that this is desperately needed in Britain, it was difficult to find any specialist commentators who thought that her tax cuts would have been effective, while almost everyone judged that that was not the time for tax cuts to be introduced.

There were supposed to be other measures which would have encouraged growth in other ways. But the details of these were never announced. The costs of Truss's tax cuts were to have been met by additional government borrowing, by making only limited adjustments to government benefits for the poorest people in the light of inflation, and by cuts to other government programmes.

The consequences of even the announcement of all this were devastating. Financial markets reacted badly. The pound sterling took a heavy hit (from which it has since rebounded). There were also falls in the value of existing fixed-return government bonds, which hit pension funds badly. While the ongoing interest that government will have to pay on money that it borrows, increased. Given that the government was already committed to paying for its expenditure on Covid and for its support for heating costs from borrowed money, this was worrying. The implications for poorer citizens, already facing additional living costs on just about everything, still facing increased heating costs, and now also facing rises in interest rates and their ramifications through the economy, are likely to be dire.

There is also a major problem concerning government services. These have faced cutbacks over a long period, while the Conservative government attempted to cut back on borrowing that had been undertaken to meet the global financial crisis. This was typically tackled by way of across-the-board cuts in the budgets of different ministries. This was particularly striking in relation to local government, which depended to a considerable extent on finance supplied by central government. The big problem with all this, was that services upon which people had depended were cut back, and, in addition, government employees' pay, and capital expenditure on buildings were cut back on. My and my wife's experience, in returning to Britain from Australia about six years ago, was that more and more in the public sector did not function well, while Britain's National Health Service seems perpetually near the point of collapse. What might happen if there are further cutbacks, is really worrying.

Part of the problem behind all this, is that, in broad terms, Britain has been doing badly, economically, for a long time. Real wages have not increased. While problems from Brexit, are getting worse and worse. One issue, here, is that a consequence of Brexit has been that for smaller companies, the practical costs of trading with the EU have increased – e.g. in terms of problems of keeping track of, and complying with, additional regulations. In addition, as I have mentioned in a previous piece, the problems posed by the EU/Northern Ireland border have not been resolved. These issues – which are important for people in the EU and in Britain – are on the face of it, things that could in large measure be dealt with by way of detailed negotiation and practical compromises (which looks as if may now have been accomplished by Rishi Sunak). But Britain has still been affected by the kinds of populist sentiments which were stirred up by the debate around Brexit,

in ways that have made sensible compromises difficult to reach. Liz Truss, who at the time opposed Brexit, subsequently defended it, and was also inclined to take up hostile postures towards the EU.

In some ways, it is Britain's economic problems with low growth – which go back at least to the middle of the last Century – which underlie what is currently taking place. Truss, and her Chancellor of the Exchequer (finance minister), wished to improve Britain's growth rate, and thought that the measures that they were taking was what was needed. In addition, it would appear as if they were among those who had hoped that Brexit would give Britain the opportunity to enter a period of economic growth by liberalizing its regulatory system. (I have described this above as 'Singapore on Thames'.) However, it is not clear that this is something that anyone would have sufficient political support – not least, inside the Conservative Party – to achieve.

To see what is involved here – and why Truss's encounter with the Conservative Party may be no happier in its consequences than was her encounter with the Queen – we need to take a step back, and to look at the Conservative Party itself.

3. The British Conservative Party

Britain's Conservative Party historically represented landowners – not least, those who were opposed to the importation of cheap agricultural produce from overseas – and conservative social and religious values. In the latter part of the Nineteenth Century, the Conservative Party was led by Benjamin Disraeli. His background was Sephardic Judaism, but his father had had his children baptised into the Church of England (as a consequence of his having had a quarrel with the synagogue

that he attended⁶). It is worth noting that the Conservative Party has had a history of social openness in respect of its leadership. Disraeli was ethnically Jewish. Mrs Thatcher was the first British woman to be Prime Minister, while Rishi Sunak, the current (Conservative) Prime Minister, is ethnically Indian. Some people in the Conservative Party came to identify with paternalistic concerns about the poor (an important theme in Disraeli's writings), and to stress its concern for the nation as a whole, in effect as a social organism. Disraeli himself was also a strong promoter of British Imperialism.

In certain respects, the character of the British Conservative Party was determined by its differences from the British Liberal Party. This, under the leadership of William Gladstone, was committed to old-style liberal ideas (although it was inclined to overseas adventurism, in the name of upholding liberal and Christian values). It received considerable support from Protestants who were not members of the Church of England

The Liberals, however, were affected by a dispute that took place as to the character of liberalism in the latter part of the Nineteenth Century. A major issue, here, was the fact that the benefits of free trade and a market economy did not seem to benefit the poorest of people.⁷ Intellectually, an important, and increasingly influential, strand within liberalism was influenced by ideas often referred to as the New Liberalism, which were developed, particularly, by the Oxford-based scholar T. H. Green. Green, and many who followed him, became sceptical about traditional Christian ideas, and in their place, offered a re-interpretation of Christianity which stressed 'social' themes.⁸ Green also offered a re-interpretation of liberalism, which placed emphasis on the self-development of each individual as important, and – and this marked a difference from, say, the older ideas of J. S. Mill - to this end

favoured governmental assistance to those who needed it. Such views became influential in terms of policy, and also led to students from Oxford who were influenced by them working in 'missions' to assist members of the working class in London.⁹ At an intellectual level Green's ideas played an important role in shifting the Liberal Party from its older, more individualistic approaches, towards the idea of a welfare state.

All this had the slightly strange consequence that those who favoured older-style liberal ideas often became drawn to the Conservative party which, through the Twentieth Century, then exhibited underlying tensions between liberal individualist and corporatist ideas.¹⁰ (The liberal individualism, however, was typically combined with personal – often religious – conservatism and patriotism, and favoured addressing issues relating to poverty by way of a combination of mutual aid and charity.)

Indeed, things got more complicated than even this might suggest. For on the non-Conservative side of politics, the Liberal Party was over time largely displaced by the Labour Party. This was an uneasy alliance of typically middle-class socialists (often attracted by visions of a craft-based utopia influenced by the work of John Ruskin and William Morris), and organizations developed to further the interests of working people, as interpreted by the Trades Unions. The concerns of the Trades Unions were, typically, with better wages and conditions for their members, but these ideas had little to do with the kinds of socialism which attracted the first group. There was wide agreement with the idea of the nationalization of industry – although what this would mean in practical terms, and what it had to do with the aims of either of these groups, was never made clear.¹¹ Another important intellectual influence was the Fabian Society, the middle-class members of

which were interested in 'municipal socialism' – the provision of services by local government, by the idea of a planned economy, and by ideas about the advantages of government services, well-administered by a professional elite, over market-based provision. There was agreement – other than on the part of a radical, Marxist-influenced fringe¹² – on nationalization, and on ideas for a state welfare system of the kind that William Beveridge, a Liberal, had developed, and which formed the basis of the Labour Party's approach after the Second World War.

All this meant that the situation of the Conservative Party was difficult. It had acquired a reputation for good management of the economy and for having a broadly pro-business attitude. It also attracted support from those running small businesses, from those who favoured conservative social attitudes, and more generally from people who wished to improve the circumstances of themselves and their families. (Many working class people were also conservative in their personal views, but were led by their self-identity as working class, and their links to the Trades Union movement, to vote Labour.) However, there were also working-class people who voted Conservative in line with attitudes of social deference.¹³ More generally, the Conservative Party was attractive to people with established social positions; to those who wished to improve their situation; and to those who were concerned about the likely consequences of the economic aspirations of the Labour Party. Yet at the same time, the Conservatives also attracted people who were concerned with individual liberty as this had been understood by the older Liberal tradition. But at the same time, there were those who identified with Disraeli's paternalism and – like the future Conservative Prime Minister Harold MacMillan – wished to cash it out in terms of a 'middle

way' which involved some nationalization, and governmental direction of the economy.¹⁴

I have described the Party's situation as 'difficult' for the following reason. There were some fairly obvious tensions between the more corporatist, and paternalistic and the more individualistic strands among the Party's supporters, and also between the latter and people who were socially conservative. More fundamentally, one might argue that the consequences of economic growth and of individual self-improvement, are in significant tension with the social basis underpinning conservative social attitudes. While things were going well in economic terms, and while the contrast for voters was with the more economically radical ideas of the Labour Party, differences could be fudged. But in the face of social change, things got difficult.

There are, I think, three key things that need to be noted here. The first, is that from the 1960s, there has been increasing secularization, and a shift in a socially liberal direction by the mainstream churches. This, and the passing of the social influence of those who had been officers in the armed forces during the Second World War, meant that, from the 1960s onwards, general attitudes among the population became increasingly socially liberal. This did not mean that there were no more social or religious conservatives. But such ideas tended to be held by the elderly, and by those living in small towns and the countryside. Mrs Thatcher's government could still appeal to 'traditional values'; but it is important to note that in respect of social mores, this was accompanied by tolerant attitudes towards those who engaged in unconventional behaviour. While David Cameron's Conservative government explicitly embraced social liberalism.

The second, is that Britain had been in a long period of relative economic decline, which the pro-enterprise attitudes of the Thatcher government did little to change. Over the Twentieth Century there was a dramatic decline in industrial activity, and Britain moved towards a service economy. But such a description can be misleading, in the sense that it covers both a successful financial and information-based sector, and also people who are employed in low-grade service industries and the low-cost end of the 'gig' economy. In part the problems here were psychological, in the sense that there was a feeling that there was a split between people who seemed able to make a lot of money by means which were not readily comprehensible to the rest of the population, while others felt neglected, and were without social roles with which they could readily identify.

In part, the problem was that while there was, on the face of it, a lot of potential for growth, this would require changes that what was still in some ways a rather conservative society would not readily face. **The Economist** magazine offered some interesting analysis, during the course of 2022, of the way in which there were all kinds of blocks to development taking place in areas where growth was possible, because people living there were reluctant that development which adversely affected them – including the building of additional housing in areas where there was a demand for it – could take place. It is also striking that people in Britain have a history of being hostile to local improvements, if outsiders would benefit – when 'outsiders' can mean people from relatively local areas outside a particular town.¹⁵ The key problem, here, is that there is a desire for growth – or at least for the benefits to which it would lead – while at the same time, there is opposition to measures which would be most likely to lead to

growth, especially on the part of traditional supporters of the Conservative Party.

These two points pose a particular problem for the Conservatives. Their supporters, now, tend to be older, and in many cases are relatively well-off. Conservative Party support (which is hardly full-fledged) for social liberalism is likely to lead older and more conservative people disgruntled, but with nowhere else to go. ('Reform UK' – which has arisen from the ashes of the UKIP party which pressed for Brexit – see below – poses a potential threat as a protest party. It is not likely to win seats, but might lead to the Conservatives losing seats to Labour or the Liberal Democrats.) But at the same time, Conservatives' muted social liberalism will hardly attract younger people who have particular concerns about such issues to vote for the Conservatives. (An important role is played, here, by the 'first-past-the-post' electoral system in Britain: a revolt by those out of sympathy with the Conservatives' social liberalism, would simply have the effect of making it easier for the Labour Party – who are more wholehearted in their social liberalism – to get into power.) While issues about opposition to locally unattractive change, legitimated by ideas about the importance of 'localism' in decision-taking, allow the wealthy to protect their immediate environment, while the costs of this are inflicted on other people – e.g. those who, in other circumstances would have wished to move to those areas, or get better transportation.

A final problem is of a rather different character. The Conservatives used to be identified with a rather old-fashioned patriotism – and to exhibit an attachment to the British Commonwealth (when seen as a kind of pale hang-over from the British Empire¹⁶), and to large areas of the world being a pale pink colour on the map. The Conservatives faced a

challenge when nationalistic ideas (as well as opposition to immigration¹⁷) became important factors in the development of opposition to Britain's membership of the EU. They were fanned by Nigel Farage, who led a new political party – UKIP – which put the Conservatives under some pressure on the Right. Because of Farage's personal character, it avoided turning into the kind of radical right parties which developed in Poland or Hungary – let alone the AfD in Germany. But when the Conservative leader David Cameron agreed to hold a referendum about EU membership, as a way of heading off the electoral problems that UKIP was posing for the Conservatives, some real problems arose.

In particular, the idea of Britain's leaving the EU became something like a blank canvas, onto which people projected a variety of different – and incompatible – ideals. These included sober concerns about the compatibility of the British common law and constitutional traditions with ideas that were accepted by EU countries, to a reaction against immigration from Eastern Europe, to ideas about how an independent Britain might flourish as a low-regulation market economy, to hostility towards the ideas about political integration that inspired the broad character of the EU. In addition, the cause of exit from the EU seemed also to attract people who were dismayed by recent changes in the economic character of Britain, and who thought that leaving the EU would enable them – in the slogan of the Brexit campaign – to 'take back control'.

To the surprise – and dismay – of most established figures across the spectrum of British politics, Britain voted for Brexit. The campaign for Brexit had had a populist character, and this was continued by Boris Johnson, who became Conservative leader after Cameron's resignation (there was a short and unhappy interlude in which Teresa May was P.M.). Brexit was

interpreted by Johnson in the starkest of terms, and Johnson simply lied about what some of the consequences of it would be (e.g. in relation to Northern Ireland, the contiguity of which with the Republic of Ireland which remained in the EU posed difficult problems). Johnson also simply disregarded various constitutional constraints on the power of the British Prime Minister – and in the judgement of the present writer, was the worst Prime Minister in living memory.

He bequeathed, however, a further problem for the Conservative Party. For there was considerable support for Brexit in the North of Britain, in towns which had suffered from the decline of more traditional industries. This was fostered in part by the ambiguity of the Labour Party with regard to Brexit, and in part by the fact that the Labour Party was then being led by Jeremy Corbyn. He was on what one might call the metropolitan Left of the Party, and was devoted to all kinds of socially progressive causes which were not particularly attractive to more traditional Labour voters. Johnson made a pitch for the support of these people; he stressed that he would 'get Brexit done', and he was remarkably successful in attracting support from previously Labour voters who had been attracted to Brexit and who had voted for the populist UKIP party. In order to try to cement their support, he embraced the idea of 'levelling up'. This was promoted as something that would increase infrastructure spending and other kinds of investment in the North of Britain, and bring with it economic growth and better employment opportunities. In the end, it amounted to little more than slogans.¹⁸ But it posed a problem for the Conservatives, in the sense that, now, a number of new Conservative Members of Parliament represented constituencies which had been attracted to such ideas.

4. From Boris to Truss

In the end – and in my view not before time – Boris Johnson’s sins caught up with him, and large numbers of his Cabinet resigned. His resignation as leader of the Conservative Party led to the procedure which I described briefly at the start of this piece. Truss appealed to Conservative Party members, by stressing her commitment to immediate tax cuts. Her rationale was presented in terms of the role that it would supposedly have in promoting economic growth. The effectiveness of tax cuts to achieve this, is a moot point. But there was a catastrophic reaction when a budget informed by these ideas was announced. The key problems, here, were that Britain had borrowed extensively to tackle problems caused by the Covid pandemic. In addition, the ramifications of Putin’s invasion of the Ukraine produced devastating rises in the cost of fuel used for heating, and Truss promised a generous response to this, at least in terms of domestic heating. Truss did not submit her ideas to scrutiny, even by economists who were broadly sympathetic to her approach.¹⁹ At bottom, her policies seemed to be driven by an instinctive faith in ‘free market’ policies; but one which – as I will argue shortly – seems not to have been properly worked out in advance. As I have mentioned, financial markets in London and abroad reacted strongly against her proposals. The value of the pound sterling fell dramatically, and interest rates rose, raising the cost of government borrowing, and increasing pressure on the personal budgets of those holding mortgages on their houses. In addition, Truss had proposed removing a high rate of taxation paid by people who were comfortably off (one complication, here, was that how well off such people would be, would relate significantly to their financial circumstances: if they were purchasing property in the London area with a mortgage, such incomes would not have made people

particularly well-off). That there might be some unpopular redistributive effects from policies which fostered growth was true enough. But it was not clear what the benefits for people generally were supposed to be from this particular measure.

Truss's position was untenable, and she resigned. Her position was taken – without consultation with Conservative Party members – by Ricky Sunak. He was the candidate who had lost out to her when the issue of Conservative Party leadership had last been put to Conservative Party members. He had then argued, at some length, that what she was proposing was unwise, and he was vindicated by what took place. Truss's budget ideas were swiftly repudiated by Sunak's Chancellor of the Exchequer. He embraced a careful approach to financial and other issues, and offered the promise of competent management, which contrasted with Johnson, May and Truss. But where does all this leave the Conservative Party?

5. Is the Conservative Party Finished?

Much, here, will in my view depend on the behaviour of the Labour Party between now and the next election.

The 'first-past-the-post' character of the British electoral system, makes it very difficult for a third party to displace the Conservatives. And the recent experience of government by May, Johnson, and Truss currently makes it difficult to imagine that Labour will lose to the Conservatives, however well Sunak manages things. However, the Labour Party faces some difficulties.

One important issue is that their electoral support is particularly strong in London and other metropolitan areas, and amongst younger and better-educated people. These people, however, are apt to be attracted to a socially progressive, 'woke' agenda

which is not found particularly attractive by the rest of the population. This is encouraging for Labour in the longer-term: in the end, those most hostile to such ideas will die off. But, as is currently evidenced in Scotland where the Scottish National Party has embraced legislation which makes it easier for people to identify officially as trans-sexual, and which has led to some hostile criticism, in the short term there may be difficulties.

A bigger problem is that it is difficult to see that a Labour government could do anything radically different from what the Conservatives are currently doing in relation to the economy. (The problem is that government is heavily committed, and is currently borrowing a lot.) But this is likely to make the Labour Party's most committed supporters restive. Further, Britain is, currently, going through a period of strikes by people in the public sector. They are, in the face of stagnant incomes, bad management practices, and steep rises in the cost of living, feeling increasingly disgruntled. The difficulties facing the public sector do, indeed, seem horrific: almost at every turn,²⁰ pay is low, and there has been a lack of investment over many years. But Labour, here, faces a difficulty. It is simply not clear from where it would obtain resources to meet current demands. While some of those striking seem on the face of it to have no cogent case for a significant increase in wages, given that the country is facing price rises that, for the most part, have been generated externally to the British economy. Labour, however, because of their historic links to the Trades Union movement, would face some difficulties in not supporting even clearly egregious claims. There is a real risk that, in power, Labour would face problems similar to those faced by James Callaghan, who was Labour Prime Minister in the 1970s, and whose failures created the background against which Mrs Thatcher was elected to power.

But what about the Conservatives? In opposition, they would have the opportunity to re-think their ideas. But I am not sure that this would do them all that much good.

There are, first, those who would see themselves as latter-day Thatcherites. Liz Truss was an important example, here. She seems, at a personal level, to have been a strange and rather rigid character. She also faced a difficulty which it is not clear that she acknowledged. This was that Mrs Thatcher's market-based approach was not particularly popular even when she was in power. She was able to carry her approach through in part because of the difficulties that the previous Labour administration had got into. But, in addition, she was able to appeal to two features of Conservative supporters at the time, which are now no longer present. The first of these was an old-fashioned patriotism, of a kind which swelled her support when she reacted in a tough way to the occupation of the Falkland Islands by Argentina's military regime. (She also enjoyed a kind of support for this action in the United States which no British government could count on now.) The second was that, at the time, there was a tradition of deference within the Conservative Party towards the views of its leader, of a kind which does not seem, currently, to exist any longer. Mrs Thatcher also practised a form of cabinet government, in which there was strong representation by able people who were by no means in agreement with the general policies which she favoured, which no longer exists.

Truss, however, could be said to have been at least aspiring to make sense of the situation in which she found herself. She had not favoured Brexit. But prior to becoming Prime Minister, she held cabinet positions from which she endeavoured to make sense of the position in which Britain had found itself

after Brexit: she tried to negotiate free-trade deals with other countries. In this, she was singularly unsuccessful. But this simply represented an element of the unreality of the 'Singapore on Thames' version of Brexit: it just was not the case that there were opportunities of the kind that proponents of Brexit had represented as existing. She and her Chancellor of the Exchequer also argued for the importance of growth. Britain had lagged badly as compared to other wealthier countries, and in my view she was 100% correct that if the British wished to have higher social spending, they would need substantial economic growth in order to be able to afford it.

The problem with this, is that Truss's approach faced three difficulties. The first was that she tended to work on an intuitive basis, and to think that the problems which she was trying to tackle could be addressed by way of measures which can only be called simplistic. As I have noted before, it has been reported that she spurned specialist advice even from people who were sympathetic to her case, and to plough ahead with her favoured ideas, even when everyone in a position to do so took the view that they would be highly problematic.

The second difficulty is one which, I suspect, Mancur Olson had put his finger on in his **The Rise and Decline of Nations**.²¹ It is that developed economies which do not face significant upheavals (e.g. being radically disturbed by war) tend to acquire rigidities in their organizational forms, often deeply socially entrenched, which make reform and adjustment to economic change difficult to undertake.

The third difficulty relates to a lack of policy ideas in the tradition of classical liberalism. When, in the mid 1980s, I was Director of Studies at the Centre for Policy Studies in London, I recall being told by David Willetts – now Lord Willetts, but then a member of Mrs Thatcher's 10 Downing Street Policy Unit –

that they tended to consider, in the face of policy problems, what the Institute of Economic Affairs (IEA) would recommend. The IEA had, for many years, drawn attention to work by academic writers which would be sympathetic to a classical liberal approach, and to spread knowledge of it among people concerned with politics and policy issues.²² However, it seemed to me that, from the mid 1980s, the IEA and other classical liberal 'think tanks' gave up on tackling the serious problems that faced a classical liberal approach. By this, I don't mean that they faced problems more difficult than those faced by other research traditions: everyone is in the same boat. Rather, these bodies stopped producing the kind of detailed academic analysis that would be needed to take further the kind of approach that Truss instinctively favoured. By contrast with this, it is striking that Cole and Heale's **Out of the Blue** in effect depicts the IEA and like-minded think-tanks as uncritical cheer-leaders for Truss, rather than providing the hard-headed analysis that would be needed to inform the market-based policy in the UK which she favoured. Accordingly, while I am very much attached to such a task myself, it is difficult to see where this aspect of Conservatism would currently go. Truss is widely seen as having killed off any kind of market-orientated reform.

The issues here, however, are complex. Not only are ideas about the kinds of economic and social reform that are needed missing. But it would not be enough to produce them, if there was also not analysis of how, politically, they could be sold to the British electorate. There is, in my view, a case for the establishment of institutes tied to major political parties, in which such ideas can be set out and subjected to criticism prior to the results being taken up by politicians.

A second kind of problem, is posed by the remains of the Brexit movement in Britain. Singapore on Thames at least offered a way in principle of how one might make sense of Brexit in policy terms, even if – for the reasons that I have set out – it was not feasible. But a lot of the populism which informed Brexit still lingers on, and 'Reform UK' – the party which formed from the ashes of UKIP – is currently recorded as enjoying some 5% of electoral support.²³ Even at its most popular, UKIP managed to gain seats in the British Parliament only in by-elections (which are well-known as vehicles for protest votes), and elections for the European Parliament which no-one took seriously. But its existence, and especially if Nigel Farage returned to a high-visibility position within the party, means that the Conservatives could be in danger of losing support to them, and thus (in a first-past-the-post system) seats to Labour or the Liberal Democrats, should they move too far from Brexit and other populist themes. This is not to suggest that the Conservatives – however much sense it would in fact make – could set out to re-join the EU, because under Johnson they became identified with the cause of Brexit. But there is a risk that any (sensible) move to make trading conditions between Britain and the EU work better, or to resolve in a rational manner the problems of the Northern Ireland/Ireland border, would lose them votes.

What this seems to leave, is something like the current policies of the Conservatives under Rishi Sunak. These promise economic competence; but in the current circumstances, and in the face of pressures for pay increases and capital expenditure in the public sector, to achieve this would be difficult. They could also promise (much-needed) reform. But because Conservatives are identified with the privatization of nationalised industries, and as the consequences of some forms of privatization have been dire,²⁴ there is a risk that they

would not be trusted even if their ideas were good. Conservatives have also been tended to be associated with the banking and financial services sector, which are widely perceived as having flourished by dubious (or at least not easily comprehended) means, while people employed in other areas have done relatively badly. While the Conservatives face a massive problem because their (typically older) voters tend to be socially relatively conservative, in ways that are at odds with the sentiments of younger voters.

As if all this were not difficult enough, the underlying problem facing the Conservatives is that to deal with existing social and medical commitments in the Welfare State and National Health Service – let alone the situation in which there is an even older population – means that some fairly radical change is needed. But it is exactly this that it is not clear that – or how – the Conservatives can provide. Their only consolation – albeit not one which will console the British public – is that it is not currently clear how anyone else can do it, either.

¹ 'Liz Truss has made Britain a riskier bet for bond investors' **The Economist**, 11th October 2022.

<https://www.economist.com/leaders/2022/10/11/liz-truss-has-made-britain-a-riskier-bet-for-bond-investors>

² Despite the fact that Britain, like many other Western countries, has a relatively low population replacement rate: 'The current fertility rate for U.K. in 2023 is 1.754 births per woman' <https://www.macrotrends.net/countries/GBR/united-kingdom/fertility-rate#:~:text=The%20fertility%20rate%20for%20U.K.,a%200.06%25%20increase%20from%202019>. It also faces problems about how to meet the needs of an ageing population with, in many cases, multiple health issues which are expensive to deal with.

³ See, on this issue, Friedrich Hayek's **Law, Legislation and Liberty**.

⁴ **Britannia's Burden**, London: Edward Arnold, 1994.

⁵ See, on this, my 'Unatoč točnosti zlogukih predviđanja posljedica Brexita, Johnson se uvijek nekako spasi', <https://ideje.hr/unatoc-tocnosti-zlogukih-predvidanja-posljedica-brexita-johnson-se-uvijek-nekako-spasi/>

⁶ He was led to write a book setting out his differences from then-contemporary Judaism: **The Genius of Judaism**, London: E. Moxon, 1833.

⁷ What I have said in the text greatly oversimplifies the issues: for a most interesting account which explains the problems and transitions in real-world terms, see the first 100 pages of Bernard Potter's excellent **Britannia's Burden**, London: Edward Arnold, 1994.

⁸ A good source on this aspect of Green, is Melvin Richter, **The Politics of Conscience**, London: Weidenfeld and Nicholson, 1964. An influential representation of his influence is given in Mrs Humphry Ward's long novel, **Robert Elsmere** (1888). On Mrs Ward, see Helen Loader, **Mrs Humphry Ward and Greenian Philosophy: Religion, Society and Politics**, London: Palgrave MacMillan, 2019.

⁹ For example, Toynbee Hall (see <https://www.toynbeehall.org.uk/about-us/our-history/> for some basic information). Those involved included figures such as Clement Atlee, who was to go on to become a Labour Party Prime Minister, and the Liberal Sir William Beveridge, whose work was influential in influencing the formation of the British welfare state.

¹⁰ See, on this, **Nigel Harris, Competition & the Corporate Society: British Conservatives, the State and Industry 1945-1964**, London: Methuen, 1972. It is worth noting that a consequence of this was that those who liked Herbert Spencer's rugged individualism tended to find themselves, somewhat uneasily, lined up with Conservatives.

¹¹ I will, for simplicity's sake, not say anything here about 'guild socialism' which emphasised the ideal of workers' control of the industries in which they were working. This attracted a lot of attention on the part of people who found the ideas of the Fabians too conservative, but seem never to have been developed in sufficient detail to offer a coherent picture of what an economy would look like, if conducted on the basis of their ideals.

¹² The situation was more complicated than this suggests, as there was also a period in which syndicalist and guild-socialist ideas were influential; but this is not a story that I can tell here. See, for a useful impression, see the first part of Isaac Kramnick and Barry Sheerman, **Harold Laski: A Life on the Left**, London: Hamish Hamilton, 1993.

¹³ See Robert McKenzie, **Angels in marble: working class conservatives in urban England**, London: Heinemann, 1968.

¹⁴ See, on this, Alistair Horne, **Macmillan 1894-1956**, London: Macmillan, 1988.

¹⁵ See Margaret Stacey, **Tradition and Change**, London: Oxford University Press, 1960, and Norbert Elias and John L. Scotson, **The Established and the Outsiders**, London: Sage, 1994.

¹⁶ For an interesting and most stimulating – albeit in my view contentious – treatment of issues here, see Sathnam Sanghera, **Empireland: How Imperialism Has Shaped Modern Britain**, London: Viking, 2021. See also Bernard Porter, **The Absent-Minded Imperialists**, Oxford: Oxford University Press, 2004, for detailed documentation of the lack of interest in or involvement in British imperialism on the part of the British population, up to 1880.

¹⁷ As I have suggested in a previous piece, the reaction of people Britain to immigration from poorer parts of the EU was influenced in part by ongoing concerns relating to large-scale immigration from the West Indies and the Indian sub-continent

after the Second World War, and in part by the problems of provision of housing and of governmental services.

¹⁸ And the spending of limited funds on local projects such as sports facilities.

¹⁹ See for example Harry Cole and James Heale, **Out of the Blue: The inside story of the unexpected rise and rapid fall of Liz Truss**, London: Harper-Collins. 2022. See also George Parker, Sebastian Payne and Laura Hughes, 'The inside story of Liz Truss's disastrous 44 days in office', **Financial Times**, December 9th, 2022.

²¹ Mancur Olson, **The Rise and Decline of Nations** [1982}, Yale: Yale University Press, 2022.

²² See, for an overview, my 'Lunching for Liberty and the Structural Transformation of the Public Sphere', **Il Politico**, XXXIII, 1, pp. 68–96.

²³ <https://www.thetimes.co.uk/article/tories-fear-nigel-farage-and-reform-uk-could-deliver-a-red-wall-rout-v0r9pnjt6>

²⁴ The form that privatization of railways took was problematic. The privatization of water and sewage services has also been dire. While the 'reforms' which were undertaken of the British National Health Service have left it in a parlous state. For what seems to me a most useful overview of some of the broader problems, see the special issue of the **Marquette Law Review**, 71, issue 3, 1988:

<https://scholarship.law.marquette.edu/mulr/vol71/iss3/>