

**A CONSERVATIVE WAY TO MAKE POVERTY HISTORY
DAVID DAVIS SPEECH TO THE CENTRE FOR SOCIAL JUSTICE, 6pm
Hawkstone Hall, Kennington, London on November 17,2005**

“It's very good to be here this evening, meeting in a hall that once resounded to the words of the great Conservative campaigner William Wilberforce.

Wilberforce is one of my great political heroes and I'm proud to represent a Yorkshire constituency from where he did much of his finest work.

In leading the campaign to abolish slavery, he demonstrated Conservatism at its best. He fused both idealism and action. He was practicing social justice long before New Labour came along and claimed the phrase for themselves.

And tonight I want to pay tribute to the team here at the CSJ who are doing such a good job of reclaiming it for the Conservatives.

Tonight I want to talk about the hungry world beyond our shores and I want to talk about the themes of my leadership campaign.

My leadership campaign has had three overlapping themes:

One: The Conservative Party must offer an agenda that is ‘good for me and good for my neighbour’.

I pay tribute to Iain Duncan Smith for putting that idea at the heart of Conservative thinking.

Two: We must overcome the great challenges of our time by being true to ourselves as conservatives.

The left's big state approach to problems has largely failed.

We need conservative policies for today's domestic and international challenges.

Three: We must talk to the British people about what we believe and that conversation must start now.

It has been said that you cannot fatten a pig on market day.

We cannot afford to wait until polling day to share our deepest beliefs with people.

We must spend the whole of this parliament sharing conservative ideas with the British people.

THEME ONE: GOOD FOR ME, GOOD FOR MY NEIGHBOUR

I hope I don't need to convince anyone here tonight that I am a Conservative.

I didn't just arrive on the political stage.

As Shadow Home Secretary I opposed Labour's incompetent approach to immigration.

As Chairman of the Public Accounts Committee I argued for better value for money for taxpayers.

I exposed Labour's wastefulness.

When I shadowed John Prescott I focused on his centralisation and disrespect for local government.

As Party Chairman I championed constituency autonomy.

I've always been a Eurosceptic.

Last week I led opposition to Labour's terror bill and secured Tony Blair's first-ever Commons defeat.

All those Conservative beliefs still matter to me.

They matter to the British people.

They want us to stay Eurosceptic.

They want a tough approach to immigration.

They know that many hard-working families can't afford Gordon Brown's stealth taxes.

They want the Conservative policies that have been at the front of our shop window for the last decade but they also want us to be a party of concern for society's most vulnerable people.

They also want us to be a party that is open to the needs of the poorest and hungriest people on the planet.

Last week I spoke about the wristband generation.

That generation – the Live8 generation - wears its politics on its sleeve.

It hates racism, bullying, poverty.

It hates injustice and we, as a party, must match its sense of injustice.

Being good for my neighbour means being concerned for the poorest people of the world.

We live in an age of progress.

Malnutrition rates have halved in the last 35 years and many countries that were poor in 1970 are industrial powerhouses today.

The world is moving forward – let there be no doubt - but there is no room for complacency.

Many people remain hungry for religious and political freedom.

Many are hungry for the most basic of human rights.

Many are simply hungry.

Some starving.

Hundreds of millions are malnourished.

Many are dying from diseases and illnesses that could be cured relatively cheaply.

The Conservative Party cannot turn the other way.

There is no contradiction between being a party that controls immigration and that also cares passionately for Africa's children.

Our own country's security and prosperity have never been more dependent upon the extension of political and economic freedom in other countries.

Hard heads and open hearts.

Good for Britain and generous to the world.

Those should be the contours of modern conservatism.

THEME TWO: WE MUST OVERCOME GREAT CHALLENGES BY AUTHENTIC CONSERVATIVE POLICIES

As we focus on issues of domestic and international justice the Conservative Party must not ape the policies of the left.

In previous speeches I've discussed how Conservative policies can provide the surest hope for this country's poorest communities.

Policies like school choice and tax relief for low income workers.

A tough approach to drugs and crime will most benefit Britain's hardest-pressed neighbourhoods.

The same use of conservative ideas can lift developing nations out of poverty.

Left-wing ideas have created dependence at home and they have created poverty overseas.

I think of aid to unreformed, undemocratic and usually corrupt governments.

Protectionist trade blocs.

We need conservative ideas if we are to make poverty history.

And free trade is the biggest idea of them all.

David Cameron was completely right last week to say that Christian Aid's antipathy towards capitalism was not serving the world's poorest people.

Comparing the impact of free trade to the impact of last year's tsunami was offensive.

More importantly – the demonisation of capitalism is not in the interests of the world's poorest people.

Iain Duncan Smith was right to point out that too many big charities think in similar ways and an anti-capitalist mentality is the worst current example of groupthink.

The recipe for developing countries is pretty straightforward.

Encourage the inventiveness of your people.

Protect their intellectual and other property rights.

And let them trade freely with each other and with the world.

Two centuries ago Adam Smith talked about the invisible hand that leads men to create wealth.

He said that our dinner doesn't come from the benevolence of the butcher, baker and brewer but from their regard to their own interest.

We must be benevolent to the poorest nations of the world but that benevolence must be educated by Judaism's teaching that the highest form of charity is to help someone to stand on their own two feet.

We must help the poorest nations of the world to become prosperous and independent.

When the history of Asia's twenty-first prosperity is written the heroes will be the politicians who surrendered command and control of economic affairs and the business people who took their place.

I strongly echo the words of New York Times columnist David Brooks:

“Just once, I'd like to see someone like Bono or Bruce Springsteen stand up at a concert and speak the truth to his fan base: that the world is complicated and there are no free lunches.

But if you really want to reduce world poverty, you should be cheering on those guys in pinstripe suits at the free-trade negotiations and those investors jetting around the world.

Thanks, in part, to them, we are making progress against poverty.

Thanks, in part, to them, more people around the world have something to be thankful for.”

On Monday night Tony Blair was singing a remarkably similar tune to this on trade.

People used to give Tony Blair the benefit of the doubt when he made his grand speeches.

But people no longer believe his lofty promises.

He always moving on to the next big idea before he's implemented the last one.

It's all big vows but no consummation.

Last month the US promised to cut farm subsidies by 60% if Europe made equivalent cuts.

The EU declined to do so.

And who is in charge of EU negotiations?

That great Blairite Peter Mandelson no less.

Commissioner Mandelson actually asked newly industrialising countries to make further cuts in their protections before the EU would move any further.

That was shameful.

The EU's protectionism and its aid budget are not good servants of international development.

Both must go the way of history before we can make poverty history.

The Institute of Economic Affairs estimates that EU agricultural policies have reduced African exports of milk products by more than 90%, livestock by nearly 70%, meat by almost 60%, non-grain crops by 50%, and grains by more than 40%.

In fact overall they reckon the effect of the CAP has been to something like halve food exports from Africa. Another body, the International Food Policy Research Institute, has estimated that every £1 of agricultural exports from Africa produces an extra £1.42 increase in GDP. That's a measure of what Africa could achieve if we opened up our markets to their products instead of subsidising our products in their markets.

I know that there are at last slow steps being taken to reform the CAP. But it is too slow, and too modest. We are in danger of failing to bring the current trade round to a conclusion because of the EU's desperate attempts to hold on to the CAP.

The British Government should take a lead in pressing for reform. Especially after enlargement there is now a blocking minority of free traders in the EU. We should be leading that group but we have failed to do so.

Secondly, we should be offering the Third World some of the most precious expertise that we have here in Britain. We have the legal accountancy frameworks, above all through our rich common law tradition, that you need in order to make markets work.

Many people in the Third World do own something, at least some sort of house for shelter, but they haven't got legal title to it so it is not really their property. Establishing legal ownership is crucial for economic development. After all, the most single source of capital still for entrepreneurs in Britain and America for starting up a business is to take out a mortgage on their house.

Imagine you were from a country where even if you do have a house it hasn't got a clear enough property right for you to borrow against it to pay for your kids to go to college, for you to open a shop.

So of course we can help the Third World with infrastructure, dams, transport, schooling, but let's not forget that most precious and intangible infrastructure of the lot – a network of property rights, clear legal titles, established ownership. I would like to see Britain commit itself to a programme that helps spread property rights through the Third World.

There is a third thing we can do as well. The World Bank estimates that remittances back to the Third World from workers in the First World adds up to \$88bn per annum. I believe that this is a gross under-estimate. In fact I think it is likely that remittances are a bigger source of capital for the Third World than even foreign investment which runs at perhaps \$200bn a year.

These are people working in the First World, doing modestly, and sending back part of their earnings to their families back home. These are people doing the right thing for their families and I admire their tenacity and sacrifice.

But the cost of sending remittances back home can be very high indeed – the IMF has estimated it at 12%. I saw another estimate that to send \$200 from the USA to the Third world officially costs \$40. More recently, attempts to control flows of funds into terrorist groups have made these systems even more cumbersome.

I understand as well as anyone the need to monitor flows of funds into terrorist groups but I believe that western banks and credit unions should be helped to remove some of the obstacles that push up the costs of remittance so that these flow out to the people who need them.

A final point. Member states would be better stewards of the foreign aid that the EU currently mismanages.

Foreign aid needs to be better targeted on poorer countries and in support of stronger civil societies and good environmental practice.

But foreign aid is only one indicator of the rich west's concern for the poorest nations of the world.

Open markets and the private sector investment that will follow is much more important.

THEME THREE: WE MUST PROMOTE OUR PRINCIPLES EARLY AND OFTEN

My third message is about political communication.

If I became leader of this party I wouldn't spend half of this parliament setting up commissions.

I already know what I believe.

I believe today what I believed six months ago.

I believed six months ago what I believed five years ago.

I know that Britain's economy needs lower and simpler taxes and the first budget of the next Conservative government must begin to deliver them.

I know that thorough public service reform – extending choice and securing local and professional control of schools and hospitals - is the only way that our pupils and patients will get world class treatment.

And I know that free trade, good governance and property rights are the key to progress in the third world.

I will spend all of this parliament explaining those beliefs to the British people.

Some of them may not look popular now but time and the facts are on our side.

This parliament is still young.

I have the determination to spend the whole of this parliament selling an authentic, socially-just conservatism to the British people.

In the last two parliaments our policies became as timid as the limited time we gave ourselves to sell them.

There will be serious policy development under my leadership but I'm not willing to spend three years in a policy vacuum – and spent one year filling it.

Our main policy priorities need to be communicated and explained now.

The role of free trade in making poverty history will be a top priority.”