



What the public really think about politics and tax

August 2006

The TaxPayers' Alliance

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August 2006 opinion research

- The TaxPayers' Alliance – Britain's independent grassroots campaign for lower taxes – conducted a major opinion research programme in August 2006, involving a 25 minute telephone poll of 1,000 people by ICM Direct and focus groups across Britain.
- This is the most comprehensive public survey of attitudes towards politics and tax since the general election.

Conventional wisdom

- Current conventional wisdom says that “You can’t sell lower taxes” and that the public “just want more money spent on public services.”
- In the Conservative Party, people say, “We lost the last three elections because we offered tax cuts.”
- This is why Oliver Letwin recently said that “Part of his job would be ... to exorcise the myth that tax cuts were intrinsic to Conservatism” (*Guardian*, 1 August 2006)

Public Opinion on Politics and Tax

But times are changing ...



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STICK THE TAX

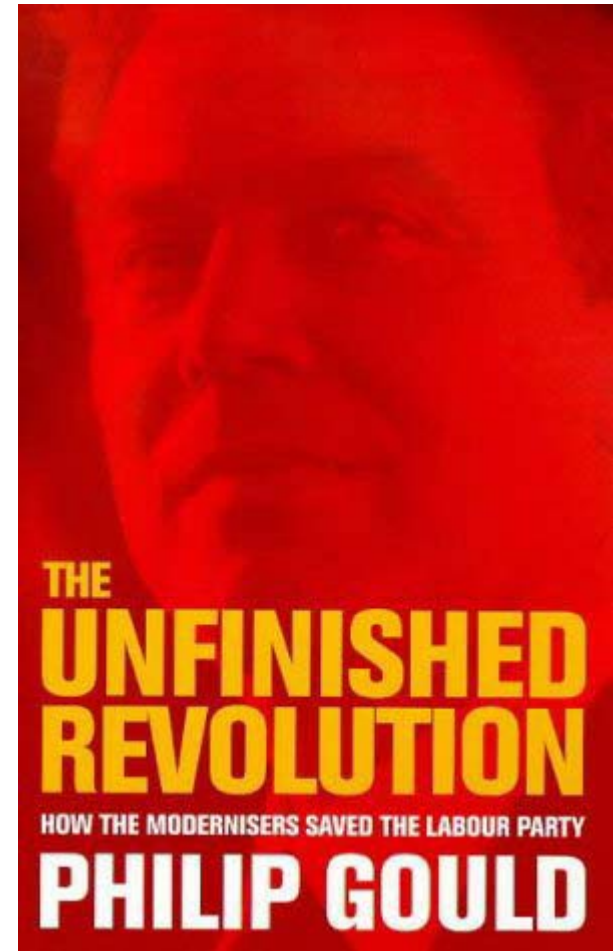
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STICK TO THE TAX

... and the left is catching on

- Whilst the **Conservatives** are using *The Unfinished Revolution* as their guide to winning, the left have moved on from the 1990s. They are following the polling, responding to the new tax agenda.
- The **LibDems** want to raise the thresholds at which people start paying tax and the top rate of tax (although they do want to raise “green taxes”).
- **Stephen Byers** – acting as an outrider for the Blairites, who are still advised by Philip Gould – has said that inheritance tax should be abolished.



So what's going on?

State of the country

I've got a five year plan, then we're going to Spain... I'm leaving in 18 pay packets, I'm off... My husband's desperate, I'm holding him back, if it wasn't for my family... I'm going to get the kids through school then say 'Adios'...

[Any chance of change?]
It's too late now... We're finished now...

I don't think there's much between them... They don't seem to do anything... None of them answers a question... None of them are honest... Every one of them is untrustworthy... They're all the same... They pass the buck...

State of the parties

- People hold the political parties and system in contempt. More than one in five is seriously considering or actively planning emigration.
- There is very strong opposition to public funding for political parties (65% to 21%).
- There is little hope that the current political parties/system can fix our problems. The only dam holding public opinion is the economy staggering on; when this goes, the political climate will be transformed.

Tony Blair / Labour Party

He's just told by Bush what to do...
That Bush is on a different planet...
Blair does what he says... It's not like
Labour used to be...

I'm better off since Blair came
in, having a young family, I
wouldn't change... Blair hasn't
been all bad, he has done
some good and they're better
than the Tories... When Blair
came in, I thought 'great', but
he's slipped...

Lie after lie... Load of crap... I
voted for him in 1997, I never
will again... Iraq and everything,
lies... They're all the same... All
tarred with the same brush...
They're just mouthpieces of
Whitehall... Doesn't really
matter...

They just don't listen... Once the
election finished, I couldn't
download the manifesto from their
website, so you know what'll
happen...

David Cameron / Tories

I don't want to cuddle a hoody...
They were banned for good reasons... He's not doing anything, just talking... Why didn't he say 'stop the hoodies'... What a load of balls that was [DC on hoodies]...

Not a strong personality...
Sits on the fence... The only thing he's said is about bloody hoodies and he's put everybody's back up...

I didn't like Thatcher a lot but she had a vision, she knew what she wanted, she had the balls to get on... She made us face up to it [crisis]... She got a lot done... She made a lot of changes... She wasn't like the ones now... She said what she was going to do, she did it, right or wrong... She changed things... The Falklands was good, we had a reason not like now... We're getting the benefit of what Thatcher did on the economy now, but people couldn't see it then, it shows the value of making a bold decision and getting on with it even if people can't see...

They're all the same

[David Cameron] Just a PR man... full of spin... Trying to put a new image on the party... He's following the same game plan as Blair... He says what he thinks we want to hear... He never comes out with policies... He's turning them into New Labour, the way New Labour did...

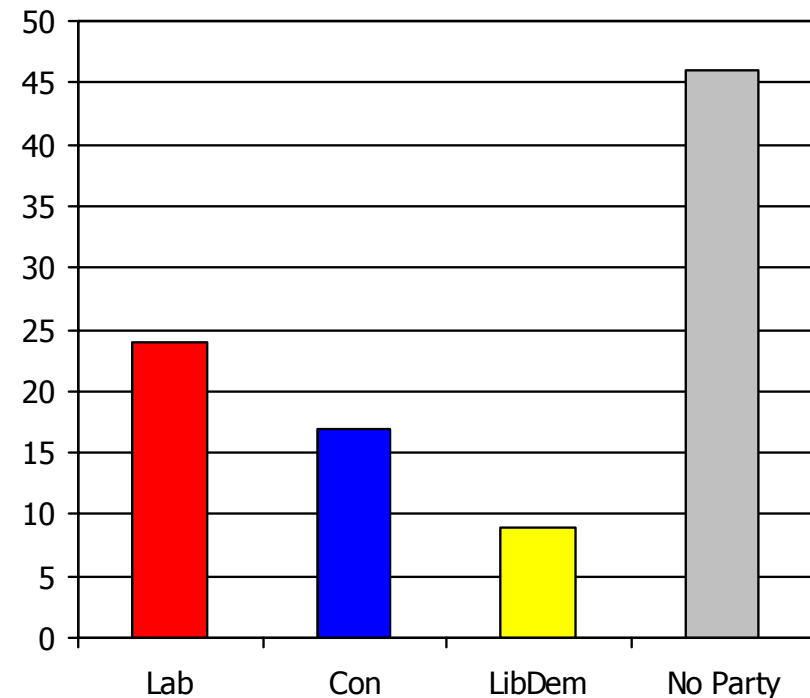
It's like tennis, they just disagree, ping pong... Cameron's agreed with Blair a few times... He's probably just doing that, thinking 'if I agree with Blair on a few things people'll think I'm different' [laughter, nods]... He agrees because he knows he won't be able to carry it through...

They're all the same... Things need radically changing but they won't do it... There's a stigma attached to the Tories... The Party isn't changing... Until that old generation moves on... The civil servants will stop them... Reality won't change, just the spin... It's going to take someone with some radical ideas to change the whole system...

Party Identification (1)

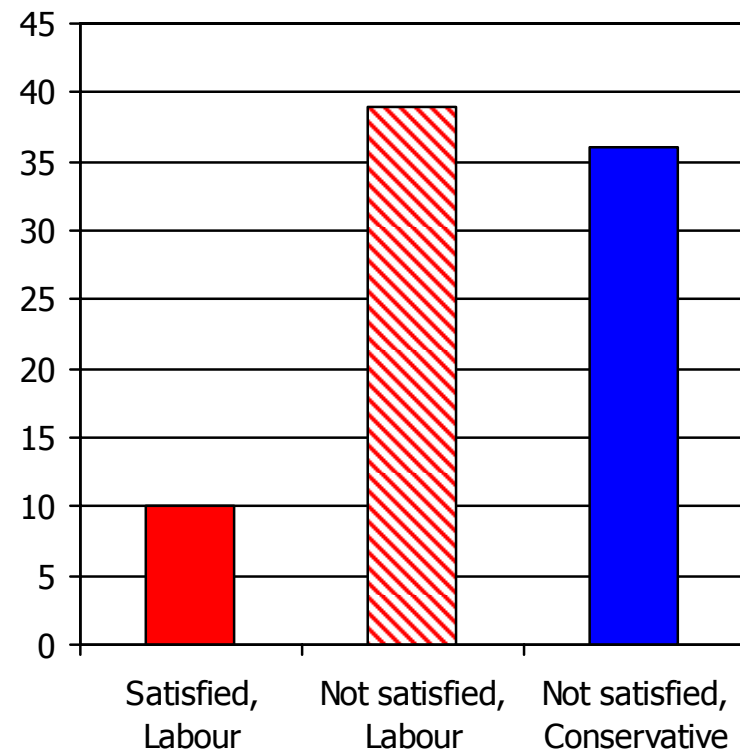
“Which political party do you identify with, if any?”

- 24% identify with the Labour Party; only 17% with the Conservative Party; and 9% with the Liberal Democrats.
- 46% of the public identify with no party (“the No Party”).
- The Conservatives only leads among those aged 65+.



Party Identification (2)

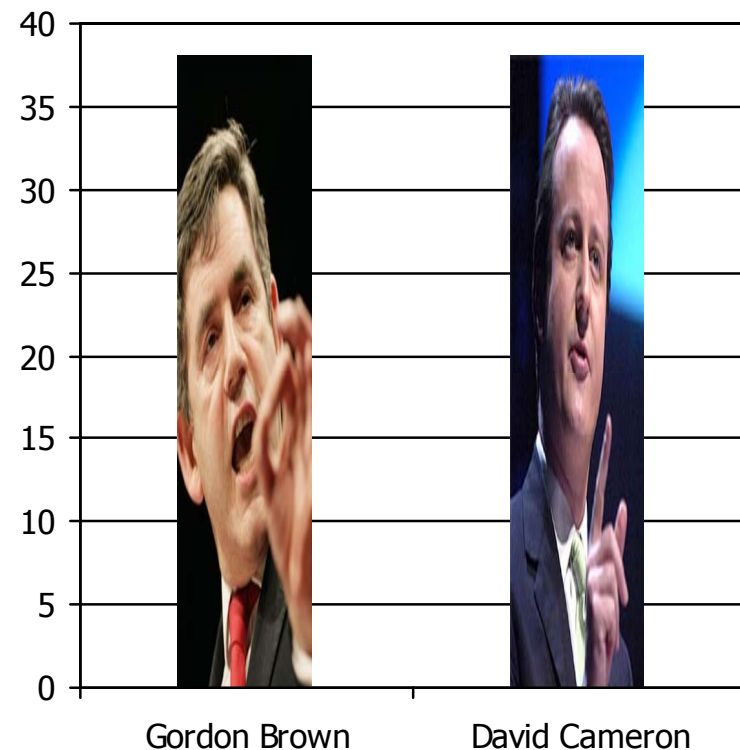
- When asked to choose between three options, **10%** are satisfied with Labour's record; **39%** are not satisfied but still prefer Labour in charge to the Conservative Party; and **36%** are not satisfied and would prefer a Conservative government.
- Only 23% of Lib Dems prefer a Conservative Government.
- In an August 2004 ICM poll, the figures were: 19%; 40%; 29%.



Brown v Cameron

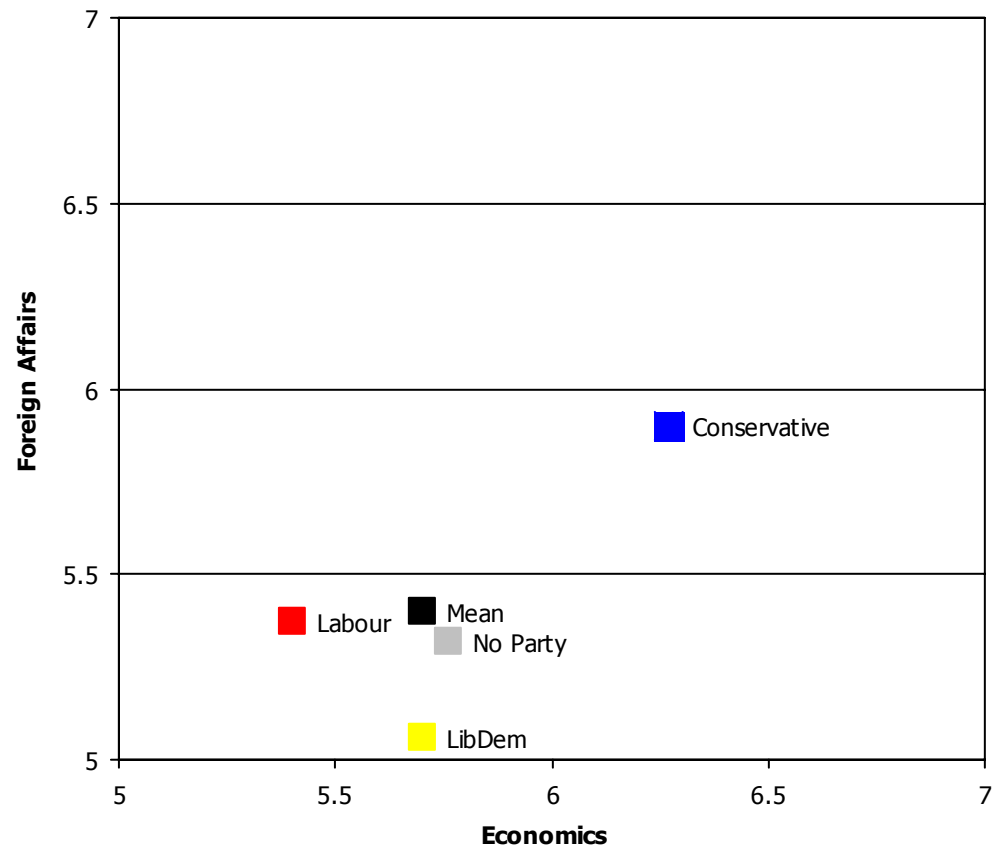
“Who do you think would be more in touch and competent as Prime Minister?”

- When asked to choose between Brown and Cameron as “more in touch and competent as Prime Minister”, the public divides 38% to 38%.
- The “No Party” opts for Brown 34% to 32%. Lib Dems prefer Brown by 45% to 32%.



Britain's ideological map

- **Foreign Affairs:** "In general, I have more confidence in free markets than I have in the state."
 - Net 38% agree, 25% disagree, 32% don't know
- **Economics:** "In general, I have more confidence in an alliance of democratic nations as a force for global security and prosperity than I have in the EU and United Nations."
 - Net 34% agree, 11% disagree, 46% don't know.
- **Scale** of 1-10, with 10 = strong agreement



Ideology (1)

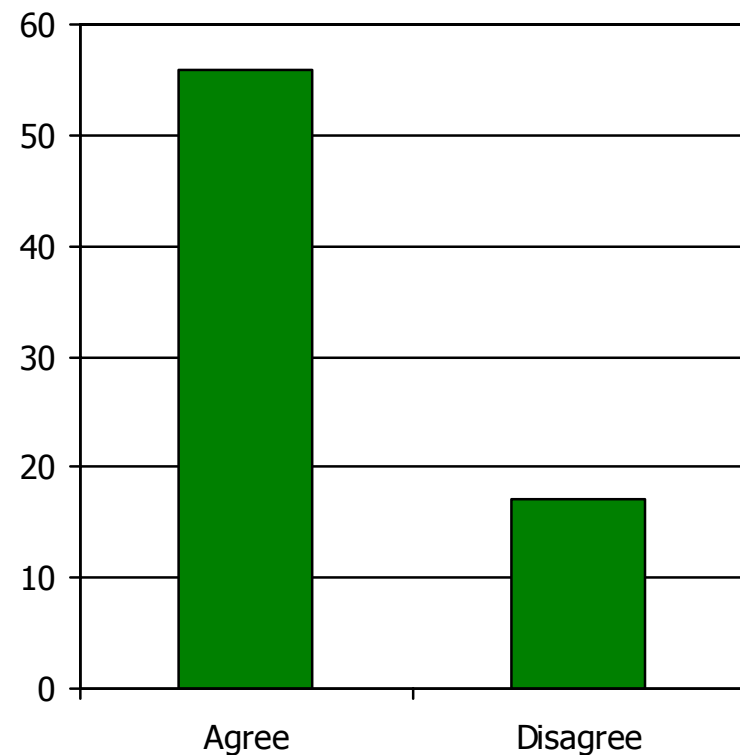
- An old lesson bears repeating: although the average person is more supportive of markets and less supportive of the UN/EU than the average BBC employee is (or thinks the average person is), people generally do not think in ideological terms or in abstract terms about systems.
- The divisions between different groups, sexes, sub-divisions of opinion etc are not as clear as the media conventional wisdom suggests.
- Of Conservative identifiers, 47% say they have more confidence in markets than the state; 37% say there are unsure either way.
- Even those who are more in favour of tax cuts are not “natural Conservatives”; most would prefer a Labour government.

Ideology (2)

- Lib Dems are generally more hostile to the TPA's case than Labour identifiers.
- "The No Party" is slightly more pro-tax cuts than Labour or Lib Dems. However, they are also more hostile than average to the CP; only 31% prefer a Conservative government and only 32% prefer Cameron over Brown.
- The No Party considers the biggest problem facing Britain is the political system itself. They agreed with the following statement by 78% to 8%: "Politicians have almost no experience of managing the vital things they're in charge of, they aren't in touch or competent, so whichever Party wins nothing will improve."
- ABs claim to be much more pro-market than C2s, but they are much less keen on tax cuts.

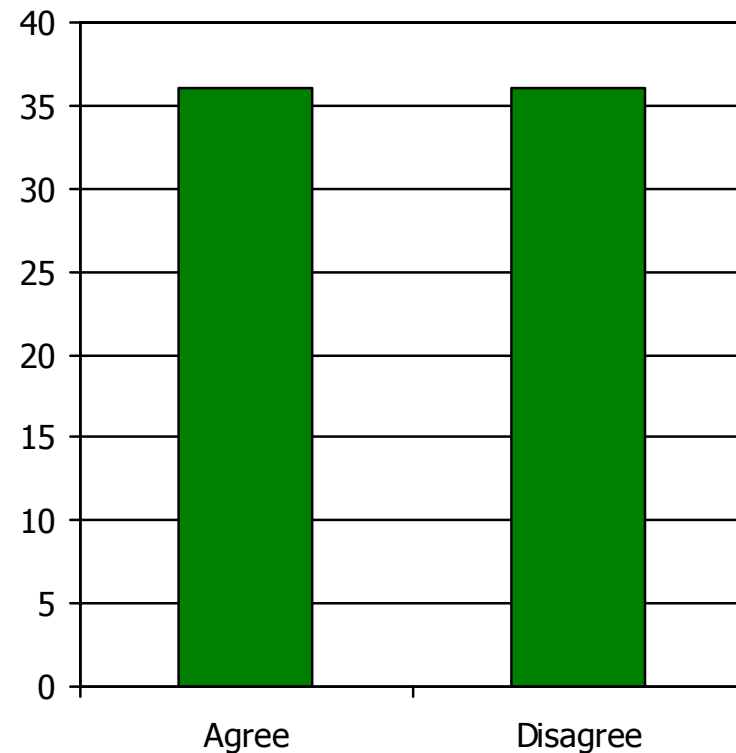
“Do you agree or disagree that if Britain reformed public services and cut waste it could lower taxes without having to cut spending on vital services?”

- Majorities in all three parties and the No Party agreed with this question and the result is mirrored by previous polling.
- The focus groups, however, suggested that people very strongly disbelieve that this is a possibility because they have so little faith in the political parties.



“The Conservative Party says that lowering taxes would create damaging instability for the economy.”

- 41% of Conservative identifiers **agree** with this statement, with 30% disagreeing.
- Labour identifiers **disagree**, 44% to 36%.
- LibDem identifiers **disagree**, 35% to 29%.
- The No Party **disagree**, 48% to 29%.



Tax cutting priorities

“Which of the following tax cuts would you like to see, regardless of whether you think they are likely?”

Argument	Mean	Agree/Disagree
Lowering Council Tax	8.13	83:9
Significantly raising the threshold for inheritance tax, or abolishing it	7.83	78:10
Significantly raising the threshold at which people pay 40% tax from £32,500, so that only the really rich pay 40% income tax	7.79	81:9
Significantly raising the personal allowance from £5,035 so that millions would pay no tax at all	7.67	77:10
Lowering the basic rate of income tax.	7.51	76:11
Lowering VAT	7.37	75:11
Lowering taxes on businesses	6.91	66:12

- Council Tax is seen as the most unfair tax, followed by IHT.

Arguments for tax cuts

- **Strongest (of 16):** “Lower taxes would allow you to spend more of your hard-earned money on your own priorities.”
- **Weakest:** “Labour’s tax rises have damaged Britain’s economy and they’ve managed services badly. The Conservatives would manage things better which would provide savings for tax cuts.”
- **People agree with the “dynamic” argument for tax cuts**
- **Waste is a strong argument for tax cuts**
- **Lesson from the focus groups:** There is no point talking about “billions of tax cuts”. Tax cuts have to be presented in specific terms that make sense to individuals, and from the anti-politician rather than the ideological perspective.

Arguments for tax cuts

How strongly do you agree or disagree with ... as an argument for cutting taxes?

	Mean	Agree/Disagree
Lower taxes would allow you to spend more of your hard-earned money on your own priorities.	7.9	81:10
People have to pay 40% tax if they earn just £32,500, which captures many people like average teachers who aren't rich. This threshold should be raised significantly so that only the really rich pay 40% tax.	7.75	79:10
Too many poor people struggle because they have to pay taxes. If we raise the personal allowance threshold significantly from £5,035, a couple of million of the poorest taxpayers will not have to pay any taxes and average earners will pay less tax too.	7.58	78:11
Politicians waste money and lower taxes would force them to spend more wisely – we have to budget, so should the politicians.	7.54	76:12
It's morally wrong that politicians take so much of our money then waste it. We should cut taxes to force them to budget better.	7.38	73:15
If we cut business taxes so they are lower than in other countries, then more companies will move to Britain bringing more jobs and prosperity.	7.3	75:12
Ireland and other countries have shown that if you lower taxes, you create incentives for people to start new businesses and invest more which brings a rising tide in which the economy grows faster, everybody gets richer and there is more money to be spent on services. We should learn from this and cut taxes too.	7.25	73:13
Life's hard for ordinary families. The cost of everything is going up fast. We should cut taxes so people have more of their own money to spend on their priorities, like a holiday or extra schooling for their kids.	7.21	72:17
Taxes have risen, we aren't getting value for money, and the people who suffer most are the most vulnerable in society.	7.17	71:16
If we make public services independent of politicians and get them out of management, we could improve standards and lower taxes.	6.66	64:16
If we seriously cut immigration, we would save money and could afford lower taxes	6.6	59:23
If you don't trust politicians why trust them with so much of your money? We should cut taxes.	6.58	58:17
The collapse of Communism proved that bureaucracies cannot perform better than markets. Countries with the freest markets have the highest standards of literacy, clean water, human rights, and prosperity. The failures in Britain's public services show that there is no point putting more money into bureaucratic systems. We should take control of health and education away from politicians, let markets deliver services and cut taxes.	6.33	58:20
Politicians are incompetent but companies like Google and Tesco are efficient. We'd get higher standards if we let companies like Tesco compete to provide good services than if we keep politicians in charge. This would save us money so we could lower taxes and control how we spend our money instead of politicians.	5.94	54:25
We should stop subsidising Scotland so much so the English can have a tax cut.	5.59	44:29
Labour's tax rises have damaged Britain's economy and they've managed services badly. The Conservatives would manage things better which would provide savings for tax cuts.	5.32	43:30

Quotes on tax (1)

Council Tax is a joke... Our council wastes a fortune, it's ridiculous, they don't care...

I don't believe any politician will ever cut taxes... They do cut them one day but they put them up somewhere else... They won't do it... They might do it but some other stealth tax would come in... There's so much waste... There's a hell of a lot more civil servants...

[Are any politicians saying 'cut taxes?'] 'No.' [Will anybody cut taxes?] 'No.' [Would Cameron if he won?] 'No... Well he might say it as a vote winning thing but it would be a short-term thing... They'd just claw it back some other way...

We're not getting value for money... Council Tax is ridiculous for what we get... What are we paying for?... The recycling rules, I can't work them out... If I earn any more, I'll be worse off, I might as well pack my job in and go on the dole...

Quotes on tax (2)

[Re raising the £5,035 threshold]
Yes, lift it... What's the point
taxing five grand?... Yes it should
be raised... We'd all be better
off... It doesn't make sense if it
costs more to collect it...

[Tax Credits] Doesn't
work... A mess... You can't
get through to them on the
phone lines... I had to write
to my MP... Computer
system useless... Massive
forms...

[Re raising the £32,500 threshold] Raise it...
50... 60... double it... They'll never double
it but it needs doubling... Or more, a
hundred thousand... People are being
penalised for working harder... That much
[£32,500] isn't rich... It would put more
money in the economy I imagine... Yes,
makes sense... People might save more for
their retirement if they pay less tax... If I
retired tomorrow, I'd get the same pension
than if I keep paying into it...

Quotes on tax (3)

They'll never cut taxes here though... We never stand up, the British people won't do anything like in France... Look at the petrol, after a couple of days we bottled it because we couldn't get our beer from Tesco...

[Question re state funding for parties] No... Forget it... You're joking... There'd be a mass exodus wouldn't there...

[Re Inheritance Tax] Disgusting... Too high... They try to claw it back... Why should there be any... You work hard to leave it to your nearest and dearest then the state takes it off you... Why not just live off the state and get a handout – that's how it's going... It doesn't move in line with house prices... People who set them don't live in the real world so they don't know... It's stealing... Should be way up higher... A million pounds upwards... Starts too early... Get rid of it... A joke, there shouldn't be a limit... I agree... The money's been taxed already... Scrap it...

Privatisation (1)

- The failure of the Conservative communications effort and the associated disastrous communications failure concerning “fat cat pay”, means that “privatisation” is seen in overwhelmingly negative terms.
- This failure tarnishes all attempts at discussing public service reform, as people hate and fear “politicians” and “privatisation” in roughly equal measure.
- There is not enough money in UK politics to rescue this brand. Progress can only be made by finding a new vocabulary.
- Whereas “privatisation” is seen as a disaster, “independence from politicians” is seen in a positive light.

Privatisation (2)

- This rebranding should be combined with advocacy groups from within the particular field – not politicians – to sell the message.
- Reform should be presented as a way out of the status quo in which incompetent and self-serving politicians ruin everything.

Downfall of Britain... Money-making... NHS getting privatised... Shambles... Selling off the silverware... Passing the buck... Shareholders – services go down so profits can go up... Quick bit of cash for a few people... The mess with the trains... Water... All it actually did was create greed and profit for a few, I've got my hundred million, I'm off... It all boils down to profit at the end of the day... Privatisation just means profit to me... Offloading responsibility to point the finger when things go wrong... It gets outsourced, it's a nightmare and usually ends up costing more...

Worst problems facing UK (1)

- The idea that crime is a “Conservative core vote issue” is completely wrong. It is the top priority for all sections of society. The second biggest problem is violence in schools; the cost and effects of the benefit system (3rd); and tax rises (4th).
- People think the biggest causes of crime are lenient sentences and violence in schools.
- The Focus Groups suggested that people think immigration is by far the biggest issue. This was true even of focus groups in Durham where there is effectively zero immigration.
- The Poll did not support this, but this may have been because the numbers used were not seen as credible. Other market research suggests immigration is a very salient issue.
- 1 in 5 people say they know somebody “whose job has been affected by companies moving abroad.”

Worst problems facing UK (2)

How seriously do you take each of the following?

	Mean	Agree/Disagree
Violent crime is seven times higher than in 1960, you're more likely to be assaulted in Britain than America and sentences for criminals are far too lenient.	7.91	81:12
Violence in schools is a major problem that prevents learning.	7.77	80:11
Three times more people claim Incapacity Benefit than did in 1980 - nearly three million people. The benefit system encourages people not to work and costs a fortune.	7.67	77:12
The Government wastes billions of pounds every year. There are thousands of stupid examples, like artists being paid to go to the North Pole to build snowmen, that means taxes keep going up but we don't get value for money.	7.65	76:13
Many countries in Asia and elsewhere are strengthening free markets, courts, and education systems and are growing fast. If Britain doesn't change course, many companies and jobs will leave Britain in coming years.	7.61	80:7
Three times more people claim Incapacity Benefit than did in 1980 - nearly three million people. The benefit system encourages people not to work and costs a fortune.	7.61	74:13
Politicians have almost no experience of managing the vital things they're in charge of, they aren't in touch or competent, so whichever Party wins nothing will improve.	7.48	74:10
A quarter of kids now leave school unable to read properly.	7.44	72:11
The EU and European courts can make laws for Britain that affect the economy, crime, immigration and terror regardless of what the British people want or how they vote.	7.22	72:13
We spend the same as Germany and France on health but the NHS has bigger waiting lists than Germany and France put together, and lower standards.	7.16	69:12
If current trends are continued over the next forty years, about six million British-born people will leave and about sixteen million foreign-born people will arrive in Britain.	7.09	64:12
A recent poll for The Times found that over 100,000 Muslims in Britain think of the 7/7 bombers as "martyrs" who were justified.	6.33	54:23
Exams have got easier which is why the results seem to keep improving. This will damage Britain's prosperity in the future.	6.24	56:21

Health (1)

- From the focus groups, it is clear that people don't think in terms of systems or abstractions and know nothing of detailed policy.
- They think money is wasted on a vast scale, but are still happy in principle that it was put in: "God knows what it would be like if they hadn't put the money in."
- They are vaguely aware now that the NHS doesn't do as well as other countries.
- They don't have faith that the parties will improve it but neither do they have faith in private companies running it: "Think what they'd do with the small print." Often private companies are blamed for the decline of standards, cleanliness etc ("They skimp to save money")
- However, people assume the NHS is being privatised. In a strange way, the debate is over. They don't like privatisation, but they assume all politicians will go that way.

- Now, they have an easy target that allows them not to think about the system – immigrants. Many thought that the NHS might work if it wasn't swamped by immigrants.
- The idea of "learning from other countries" seems to be the best way of arguing for reform.
- The idea of "getting politicians out of management" or "making the NHS independent" works much better than "privatisation".
- Years of speeches and activity from the Right have done essentially nothing to alter the debate.
- A completely new communications effort is needed with a case built from scratch and sold by credible professional and consumer groups making a case in the public arena.

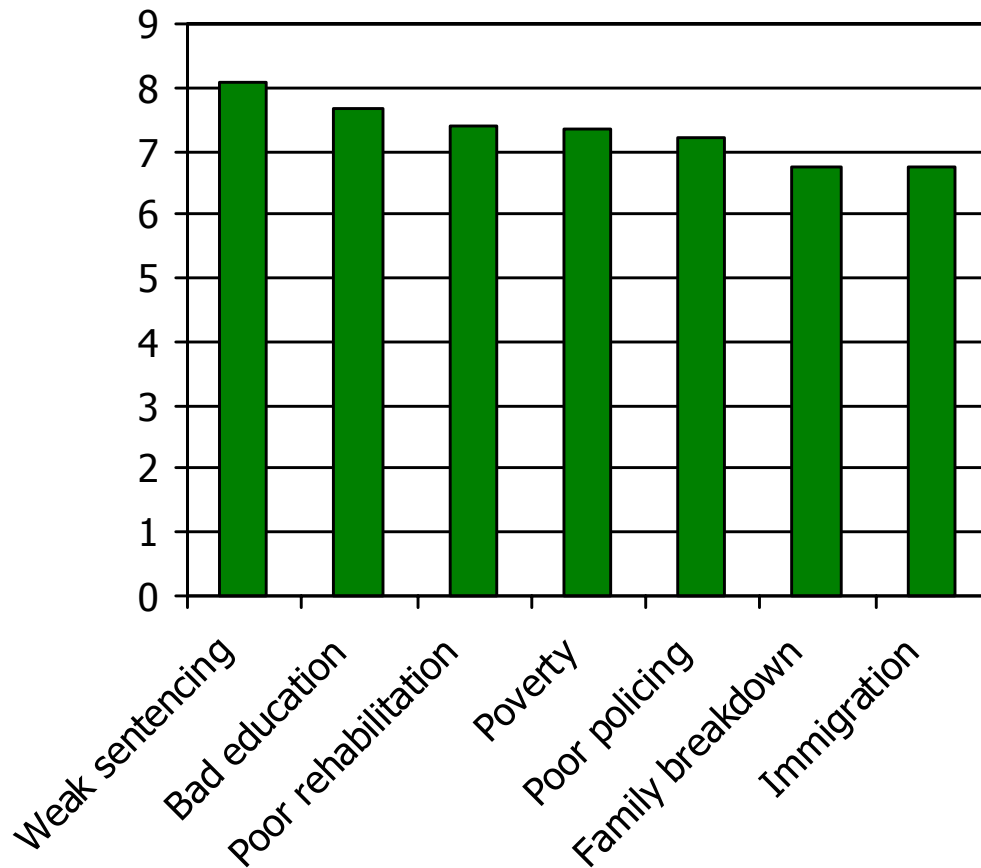
Education (1)

- There was strong resistance to the idea that “exams have got easier”, which was seen as “unfair on the kids”. Many richer Conservatives dislike this argument too since they have spent so many years worrying about their kids’ exams.
- However, there was agreement that basic standards of literacy and numeracy have deteriorated.
- Violence in schools is seen as the biggest problem and connected to the general problem of bad behaviour out of control and the forces of order (police, teachers etc) helpless.
- Again, people struggle to think in terms of abstract systems and the idea of “competition raising standards in principle” is inherently a hard sell in the current environment.
- Basing the case for reform on the rise of India/China worked.

Education (2)

- The principle of “school vouchers” (not using this phrase) is sellable when put in terms of: the current system is unfair; only the rich can choose schools or move to a better area; the state pays X per child; instead of politicians controlling that X, everybody should be given the choice of which school their child goes to and therefore which school gets their X; good schools will spread, bad schools will close...
- The idea of “getting politicians out of management” works much better than “privatisation”.
- Years of speeches and activity from the Right have done essentially nothing to alter the debate.
- A completely new communications effort is needed with a case built from scratch and sold by significant professional and consumer groups making a case in the public arena.

“How important do you think the following factors are as causes of crime?” (Figures = mean response)



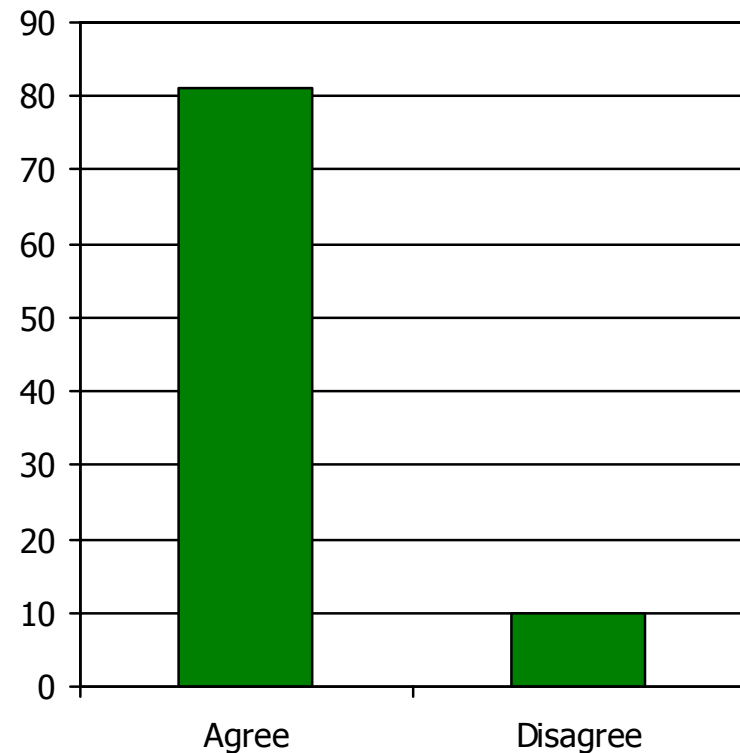
A lot of it is to do with immigrants, look at Crimewatch, the papers, most of it's them... They come from countries where it's normal...

Blair says things are getting better, rubbish... It's going up... Worse round here now... Knife crime's getting worse... In Newcastle, there's a lot of violence on the streets... I don't think there's a massive increase but it has gone up...

Benefits (1)

“Do you agree or disagree that people who are claiming benefits for more than six months should have to do some sort of work to keep getting them, unless they are genuinely ill?”

- 47% completely agree
- Little difference across sex, age or class.
- Labour and Lib Dem identifiers strongly agreed.
- Not big difference between regions.



Benefits (2)

People who break the law should have their benefits stopped... I'm paying for people who live off the government... The guy who got delivered KFC by the police cos of human rights... We're so soft in this country... It's a joke... We've gone absolutely to pot...

Can't the Council get people on benefits to do jobs they need doing?... Make people work for their benefits... Look at [Hamza], he got away with murder on benefits...

[Re having to work for them after six months] Yes... They play the system... Basically fair... As long as you're not pushing someone out who can hardly walk... Has he got a bad back or not?... You see them playing golf... I see them come in my shop all day, they can have that standard of living without going out to work...

Quotes on immigration

Stop being frivolous, stop letting people in the country... We say to them, here's a flat, here's a mobile phone but Australia would kick me out [if he tried to move]... A lot of them are working, getting benefits, and not paying taxes...

You don't believe them [politicians]... No politician will be tough on immigration, they're too scared... They can't sort it out... The EU lets them in, we can't stop it now... They won't do anything, it's just talk... People vote BNP because they're fed up with Labour but there's no point voting Tory... There's so many immigrants now no politician could do anything...

Where's everyone going to go?... We should stop it... They're coming in on the backs of trucks... We should stop them working here, getting money... What about the cockle-pickers, that wasn't right, what about their human rights?... We should lock the door and they can find somewhere else to go to, why don't they go to Spain, it's our taxes going up to pay for them... Look at France, they were just sending them through 'go on, get yourself over to England'...

Executive Government

- Unsurprisingly, there is strong support for radical constitutional change. There is very strong support for the idea of "Executive Government". People agreed (73% to 23%) that the constitution should change to allow non-MPs to be brought in as Ministers.
- People supported the argument for mayors by (57% to 36%).
- Both of these are up on the last time these questions were asked in Aug 2004.

Why should MPs do it?... MPs are there to give the people's view, not to be the top man and run everything... Good idea... Excellent idea... Definitely...

It should be the best person for the job... What if Cameron wins but he hasn't got anybody decent to be Chancellor, he should be able to hire who he wants... You'd have to watch out for corruption, make sure they aren't doing favours for their cronies...

Conclusions

Establishment out of touch

- The Westminster/BBC Establishment is out of touch.
- The whole way MPs and the media discuss politics has no connection to how normal people discuss it.
- The assumptions of the Establishment are hugely out of line with public attitudes to tax, immigration and crime.
- The assumption of the MPs that they are engaged in a serious debate in a serious country is not shared by the public, many of whom regard “the whole system” as a bad joke.
- Many Conservative MPs are now often more similar in their outlook to BBC producers than they are to the public.

Anti-politician opportunity

- There is an opportunity for an anti-Establishment/anti-politician party
- The successful No campaign in the referendum on the North East Regional Assembly (2004) made their strongest message a combination of tax and “anti-politicians”: “Vote No to more politicians who’ll put up Council Tax”
- The Conservatives could position themselves with the public against the Establishment and Westminster, as Reagan did do successfully; but this change would require a revolutionary approach to how the Conservative Party operates and communicates.
- None of the parties, unfortunately, has either the desire or ability to do this. It is therefore possible/probable, that either a new generation on the Left or extremists on the Right (or both) will tap into the dynamics of the current situation before the Conservatives.

The need for “localism”

- Some “Modernisers” argue that the Conservatives should ignore or abandon localism / decentralisation. They argue that: (a) the public does not care about constitutional or “system” issues such as this; (b) “they just want better schools / hospitals...”; (c) the Party should offer to “manage services better” which will often involve centralising and enforcing decisions from Westminster (“we know what makes a good school” etc).
- This is wrong. The Party will not be able to manage complex system like the NHS better – and failing after promising change will be bad for the Party’s image.
- Instead, the Party should side with the public against the “Establishment’s” illusion that politicians can run things well and combine this with the localism argument - which includes giving real powers over things like policing to local mayors.

Cameron an improvement, but...

- There were some positive comments about Cameron and a general feeling that the Conservatives are not in the dire situation they were. Cameron is seen as neither a joke nor unpleasant. He is seen as an improvement.
- However, this improvement is seen at best as merely lifting the Conservatives up to being normal politicians – “they’re all the same” – which is scarcely an improvement.
- Cameron is “just another politician”. He has not begun to transform the disastrous state of the Conservative brand in the way the media seems to think he has.
- There is no real sense that the Conservatives will change Britain. Unlike Blair in 1994, the improvement is seen as one of spin, not substance.

... he risks repeating old mistakes

- The mistakes over Europe are being repeated on a larger scale.
- After 1997, some Conservatives argued that they should not talk about Europe, whilst others argued that it could rescue the Party from its quagmire. Both groups were wrong.
- The answer was that discussing Europe differently could work, but it could not save the Party.
- Now, there is another false dichotomy: either the Conservatives should drop tax/immigration/crime/Europe; or, they are the saviour.
- Both are false...

False Dichotomies (1)

- Those who argue that the Conservatives lost because they were “too tough on immigration and taxes” are out of line with the facts.
- First, people (i) do want tax cuts and (ii) think they are possible and (iii) want a much tougher policy on immigration than that offered by any mainstream party.
- Second, however, people never believed the Conservatives would either cut taxes or deal with immigration, and still don't.
- Third, not only was the Party not credible on tax and immigration, but it had nothing credible to say about people's other priorities either.
- It is a false confusion of correlation and cause to argue that: (i) the Conservatives discussed $x \neq y$, (ii) it lost, therefore (iii) it lost because it discussed $x \neq y$. It is wrong to say that voters are pro-EU, pro-immigration, and don't care about crime and immigration.

False Dichotomies (2)

- Similarly, those who argue that the Conservatives would win if they ignored public services and simply had a clear message on crime, tax, and immigration are also wrong.
- The evidence is clear that (a) the public are desperate for new solutions in education and health, (b) the public have not listened to what they have seen as an out of touch and incompetent Party, therefore simply discussing issues without addressing why people think this would not solve the problem.
- Those who argue that swing voters simply have to hear low-tax, anti-EU, tough on crime and immigration sound-bites in order to vote Conservative are wrong. Serious public sector reform is also essential.

Reform is a tough sell

- Anti-politician and anti-business feeling makes lower taxes and public sector reform a tough sell.
- It is hard to exaggerate the extent to which the failures of the Conservatives over a long period, combined with the failure of the business community to address effectively issues such as “fat cat payoffs in failing businesses”, has damaged the reputation of free markets and private enterprise.
- People know the current systems for education and health are failing. However, they trust neither the political system nor private enterprise to improve them. There is a depressed fatalism about continued decline and the impossibility of improvement.
- All debate about alternatives is tainted by this general contempt and hopelessness: people cannot imagine any political force that reverses decline since they see politicians as a self-serving elite with a total grip that cannot be broken.

Structural obstacles

- The dominant culture of existing broadcasters is more anti-market, more pro-EU and UN, than average. This culture has an especially tight grip on the BBC and there is no alternative media in the UK (e.g. FOX) and the 'Blogosphere' remains far behind the US.
- The only hope on this front is the further development of ConservativeHome and their forthcoming internet TV station.
- The infrastructure of ideas and organisation for pro-market forces is also weak. In the US, the AEI or Heritage have larger staffs and bigger budgets than the entire Conservative Party.
- UK organisations do good work but typically have little money, a handful of staff, and heavy reliance on a tiny number of donors. (The anti-euro campaign was an exception, with £2 million per year, but this has not been sustained.)

Can reform be sold?

- Reform cannot be sold by the current crop of politicians using the current methods of political communication. Reform require a completely new form of political campaign and communication.
- Reform must be sold in conjunction with third party groups like “teachers for equal opportunity” selling school choice.
- Such groups are needed to develop a serious intellectual agenda and marketing system that the current political parties have neither the capacity nor inclination to attempt.
- This sort of institution building has little chance of evolving from any of the existing political parties and it will be a central aspect of the TPA’s expansion over the coming year.

What's the TPA doing?

- The TPA is building a National Network to campaign for lower taxes.
- We will run 30 second web ads and cinema adverts and we will be using internet TV to bypass the traditional broadcasting media and get our message direct to taxpayers.
- We are running a major direct marketing program to the public and to businesses. This will involve direct mail to 100,000 businesses and a million homes.
- We are building the infrastructure for a grassroots National Network and we will be launching regional campaigns in the Autumn.
- We have commissioned a leading economic forecaster to build a dynamic model of the economy to assist our research.