Reinventing Liberalism

A vision for a liberal 21st-century Britain

Britain at a turning point

Across Britain there is a widespread sense that something has gone wrong. Wages that do not stretch as far as they used to. Public services that cost more and deliver less. A home of your own that depends more on what your family can pass down than on what you can earn or how hard you work. Children who will be poorer than their parents. A sense of a country that is working harder and longer for a worse result.

Living standards have barely improved in the best part of two decades, and productivity has slowed sharply since the financial crisis. The population is ageing, meaning more demand on health and care at the moment the public finances are least able to meet it. Prosperity is concentrated in too few places.

None of these problems is unprecedented. What is unusual is that Britain faces so many of them at once.

Some of this has deep roots. As manufacturing moved abroad, the secure job that supported a family on one income became rarer, and the places built around those jobs were left without replacements. Opening up to the opportunities that globalisation could bring was not the mistake. The mistake was assuming the adjustments would take care of themselves, and leaving particular towns and regions to face their challenges alone.

Now across the country people are doing everything the system asks of them. Working, saving what they can, raising a family, keeping to the rules. But finding that it no longer delivers what it promised. People will bear hardship if they believe it is fairly shared and towards a common purpose. What they will not forgive is the discovery that the bargain has quietly stopped being honoured, and that playing by the rules no longer pays.

This reaches further up the income scale than the political debate usually allows. For those on low incomes the pressure is acute and the sense of no way out is real: work does not lift them clear of it, and there is nothing spare to absorb a shock. For those fortunate enough to earn well above the average, it still feels as though life is harder and the future less assured. Discontent is therefore widely spread.

Beyond Britain, the world is becoming less stable and more competitive. Russia's invasion of Ukraine has transformed Europe's security environment. The American security guarantee that underwrote British defence for eighty years can no longer be assumed. The climate is changing faster than our capacity to adapt. Artificial intelligence is transforming work and economies, while the US and China compete for technological advantage. The institutions governing all this were designed for a world that no longer exists.

Underneath it all runs something corrosive: a collapse of confidence that democratic politics can fix anything at all.

And the two traditions that have dominated British politics since the Second World War are struggling to meet the moment. An economic model that has relied too heavily on markets to distribute prosperity which has concentrated wealth and harmed the environment and communities. A belief that the state alone should resolve social problems has disempowered people and communities and driven up the welfare bill. Neither is fit for the challenges we now face.

Liberal ideas have answered before and their time has come again

Britain has been here before, and liberal ideas have repeatedly supplied the answers.

When protectionism kept food expensive and the poor hungry, liberals made the case for free trade. When old age meant destitution, a Liberal government introduced state pensions in 1908, Labour Exchanges in 1909 and National Insurance in 1911. And when the welfare state was built, the 1942 blueprint was Beveridge's, a liberal, on economic foundations laid by another liberal, Keynes. Liberals built both limbs: routes into work, and protection when work alone could not provide. The argument was never for dependence on the state, but for the security that makes independence possible.

Liberals argued for dispersing power to Scotland, Wales and the English regions before it was fashionable, and for protecting the natural world before there was a word for it. The measure of these ideas is not that liberals were rewarded at the ballot box. Often they were not. It is that other parties eventually claimed them.

What liberalism is

Liberalism is not the midpoint between two other positions, and it is not the absence of conviction. It is a distinct vision of how a society thrives by empowering the individual: a fair, free and open society that holds liberty, equality and community in balance, in which nobody is held back by poverty, ignorance or conformity.

The role of government is therefore to create the conditions in which every citizen can fulfil their potential: proud of the place they live in, free to be themselves, confident that they are building a prosperous future, safe and secure. Six ideas follow from that.

Freedom means the real capacity to act, not merely the absence of restraint. A person with no savings, no qualifications, no secure home and without good health is not free in any sense that matters. A guarantee of the basics a person needs to build a good life is not in tension with liberty; it is the precondition of it.

Power should be dispersed. Liberals are concerned about concentrated power wherever it sits: in Whitehall; in monopolies; in technology platforms. As technology and AI become more powerful, we should be equally concerned when control over information, data and the technologies shaping our lives are concentrated in the hands of a few companies. The market and the state are both tools we value. Left unchecked, neither reliably acts for citizens, because both accumulate vested interests that need challenging.

Enterprise creates prosperity. Liberals are pro-business: firms are where most people earn a living and where the revenue for every public service is generated. But pro-business is not pro-incumbent. Entrepreneurship is where the future comes from: most of the firms that will employ the next generation do not yet exist, and liberals should champion the innovation that creates them.

Our interests and obligations do not stop at the border. Poverty, oppression and aggression concern us wherever they occur, and the free movement of ideas, goods and people has made this country richer and safer. That conviction was central to the creation of the European Union.

Each generation holds the country in trust for the next. That is as true of the environment and public finances as it is of the ideals that bind us together.

None of this is achievable without a thriving and trusted democracy. Institutions the public can be confident are working for them. Liberals have long argued that our electoral system must be fairer, and power devolved closer to the people it affects.

What makes us different

Liberalism is not the only tradition offering answers, and it is worth being precise about how ours differ.

From the right and the far right, we differ on the diagnosis itself. They locate the cause of Britain's troubles in outsiders and in openness: in immigration, in international institutions, in the courts, in Europe. We think the causes are largely domestic and structural: too little investment, too few homes, too much power hoarded in Whitehall, an economy that has stopped becoming more productive. A programme built on closing the country off touches none of them and would make several worse. A country cannot be made confident by being made smaller.

There is a deeper objection from liberals to the far right. Blaming outsiders requires a category of outsider, and that category never stops growing. It starts with the newly arrived, reaches the long settled, then their children, then anyone whose loyalty can be questioned. Each redrawing of 'us' is narrower than the last. Liberals judge a country by how it treats those with the least power to object and insist that the protection owed to the most vulnerable is what makes anyone else secure. Openness and belonging are not opposites. A confident country can extend its welcome to newcomers without diluting its sense of self.

From the soft left, we differ on the remedy. We share ground on devolution, on the dignity of work and on the state of the public realm. But that tradition reaches too readily to more public spending as the answer. Services that absorb more and deliver less need reform as well as funding, and funding for services will not be there without growth.

From parts of the environmental movement, we differ on the trade-off. We take the climate emergency as seriously and accept the same science, but reject the idea that tackling it means accepting less. The route to net zero runs through innovation, investment and cheap clean energy, creating the opportunity for greater prosperity not less.

What is distinctive about liberalism is that it refuses the trade-offs that others accept: security at the price of liberty, fairness at the price of enterprise, growth at the price of the planet, openness at the price of belonging. We think those pairings are false, and our work now is to prove it.

Why liberalism must be reinvented

Liberal principles are not the property of one era. They answer to the context a society finds itself in.

Liberals built the institutions of the post-war settlement, designed for a world of young populations, national economies, scarce information, a Europe resolved to put war behind it, and a dependable American ally. Every one of those conditions has changed. Access to knowledge itself has changed: where liberals once fought a scarcity of information, the difficulty now is a flood of it, and knowing what can be trusted.

Liberals should be the ones willing to say that an ageing, global, information-rich society, with increasingly unstable international relationships, cannot be served by a design drawn up in 1942. The principles endure; it is the application that has to be rebuilt. And liberals should be the ones putting forward the answers for the world in which we now live.

There is also a gap in the liberal space for a body that convenes and catalyses thinking. Think tanks do that work, and no one is doing it for liberalism at the scale the moment requires. This is the work of The Britain Project. We will develop bold, practical, evidence-led ideas, and follow the argument where it leads. Our ideas are available to anyone prepared to use them well.

Our work will be organised around three questions, each in the service of one end: the freedom of individuals to build a life of their own design, protected from arbitrary power.

1. On **prosperity**, how Britain grows again: enterprise, investment and productivity, the cost of living, the skills and support that get people into good work, the housing that working people can afford, harnessing the opportunities of technology, and a more constructive relationship with our nearest neighbours and largest market.

2. On **security**, what keeps us safe: credible defence, effective policing, energy that is secure and affordable, resilience to a changing climate, and the governance of powerful technologies reshaping work and public life.

3. On **community**, what people can rely on and belong to: health and social care that work, schools that give every child a fair start, public services reformed to deliver better outcomes. It also means valuing cultural preservation while welcoming the best of other cultures.

Restoring belief in a better tomorrow

Beneath every one of these questions sits a deeper one, and it is the most urgent of all. People have stopped believing that tomorrow will be better than today. Restoring that belief is a key task of our political leaders.

We want a Britain that grows again and rewards the people who innovate and build. A country that passes on opportunity to the next generation rather than debt, and treats the prospects of the young as a first-order test of whether the country is working. A country that protects the planet it holds in trust. A country not bunkered down behind its borders, but confident enough to trade, to engage and to lead. And in a world where authoritarian government advances and democracy retreats, a country that is a beacon of democracy and liberalism.

Our aim is for a Britain where everyone has a fair chance to build a good life, where enterprise and hard work are rewarded, and where hope and opportunity are within everyone's reach. A country confident in the world, fair at home, and ambitious for the generations who come after us.