



LABOUR PARTY ANNUAL CONFERENCE

Brighton 27 settembre – 1° ottobre 2009

Labour's Secretary of State for Business, Innovation and Skills, Peter Mandelson's speech

Conference, let me say after these years away – it's good to be back home.

When the Prime Minister asked me to return to the Cabinet last October I felt a lot of things.

Shock. I think I was as shocked as most of you were.

Surprise. My network of informants had let me down on this one.

Apprehension. Returning to the goldfish bowl of British politics – and all my fans in the media. It made me pause.

I had been in this movie before - and its sequel - and neither time did I like the ending.

But I did not hesitate for too long.

The pull was too great.

The pull of coming back to serve my country when it was in the midst of the global whirlwind that had hit us.

The pull of coming back to serve this Prime Minister, our leader, Gordon Brown – who was gripping this financial crisis, leading the fightback against it when so many others seemed caught in the headlights.

But there was something else. It was the pull of coming back to serve our party.

I did not choose this party. I was born into it.

It is in my blood and in my bones.

I love working for this party and those who work so hard for it – even if, at times, perhaps not everyone in it has loved me.

I understand that. I made enemies, sometimes needlessly. I was sometimes too careless with the feelings and views of others.

But please accept this. It was for one reason only. I was in a hurry to return this party to where it should be – in government to help the hard-working people of our country.

I know that Tony said our project would only be complete when the Labour Party learned to love Peter Mandelson.

I think perhaps he set the bar a little too high.

Though I am trying my best.

But the fact is our project is far from complete.

A Labour Government has never been more needed.

Needed to fight back against the recession.

Needed to build and secure our future economic strength.

And needed to ensure we pay down debt in a way that is fair and protects jobs, homes and our frontline public services.

And yet, we must face facts.

Electorally, we are in the fight of our lives.

And, yes, we start that fight as underdogs.

But conference let me say this.

If I can come back...

we can come back.

I came into politics to help remake the Labour Party as a party of Government.

My relationship with Gordon was forged when people said we'd never form a government again.

It made us not just modernisers, but fighters...

and certainly not quitters.

That spirit still burns as brightly within us now as it did then.

Gordon, I am proud to serve in your Government as you lead the fightback against the global recession.

The policies conceived and executed over the last year have now begun to pull our economy back onto the long road of recovery.

When it mattered, Gordon Brown and Alistair Darling have made, and are making, all the right calls.

Of course, they could have made different choices. They could have taken David Cameron and George Osborne's advice to let the recession take its course.

Can you imagine if we had?

I hope these two can find the humility to acknowledge that at every point Tory policy would not just have put the recovery at risk but have made this recession deeper, longer and far far worse.

As we get closer to the election, I want to see them and Tory candidates across the country explaining why they wouldn't provide the money to help small businesses and families in this recession when they needed it most.

No extra money to boost family incomes.

No money for the tax deferment for business and no VAT cut.

No additional money to help those who have tragically lost their jobs.

No funding for the car scrappage scheme.

They got it plain wrong at every step along the way and I say to every Labour member and campaigner across the country.

Do not let them off the hook.

I certainly will not.

Conference, the foundation of all that we want to achieve is a strong economy.

So what does that mean?

It means continuing to limit the recession's damage to our economy because when private demand plummets governments must step in.

It means, once we are through the recession – and only when this is clearly the case - we will tackle the deficit without eating into the fabric of people's lives.

And it means investing in future growth.

On all three counts, the Tories are on the wrong side of the argument.

I tell you. Withdrawing our help for the economy now as Mr Osborne demands would choke off recovery before it has even properly begun.

Not for the first time, Boy George is sailing close to the wind.

There are encouraging signs that the economy is picking up. But recovery remains fragile and uncertain, especially in manufacturing and one of its cornerstones, the car industry.

Our car scrappage scheme has been so successful the money is running out. The industry has asked that the scheme be topped up. Conference, we cannot do everything but that does not mean doing

nothing. So today I am extending our popular car scrappage scheme with extra money for an additional 100,000 cars and vans.

In support of our car industry too, this government will stand behind Vauxhall workers in Ellesmere Port and Luton where the workforce themselves have been the main driver of change.

And the same goes for Jaguar Land Rover too.

But all of this only makes sense if we continue to invest in our country's future growth. It is growth that will see off recession. It is growth that is key to paying down debt.

More than ten years ago I spoke to this conference as Trade and Industry Secretary about how we needed to renew the British economy and build it around knowledge, science, innovation and enterprise.

But this isn't 1998. This is a different world.

China and India are undergoing the greatest revolution in the economic history of the world.

The greatest financial crisis of modern times also requires us to rethink our growth model for Britain.

Of course, we should be proud of our record.

Production is up by a third. More businesses. More research. More people than ever at university. More people learning new skills although still not yet enough technicians being recruited for our new industries at the heart of our growth strategy.

Some people think that Britain is a post-industrial country that doesn't make anything anymore.

Well, someone needs to tell them that we are still the world's sixth biggest manufacturer.

And we will remain a modern manufacturing nation as long as I and the Government remain in our jobs.

But we do need to accept that, during this time, we have not got everything right.

The truth is growth was so strong we started to take it for granted. We nurtured finance – not wrongly, but we should have done more to nurture our other strengths as well.

The potential is there in Britain – we know that. In the services sector, the creative sector, the biosciences sector and in hi-tech advanced manufacturing.

But to release this potential we need a clear plan for growth and this is my mission.

First, with Labour in office, there will be no cap on talent in this country. People with university degrees and skills earn more, climb higher and create more value.

The Tories think that more means worse. We don't agree. Britain gains when every person who is capable can get the chance to go to university, get an apprenticeship or a new skill.

But to make this possible in a tough public spending environment we all need to contribute – government, individuals and employers.

Second. I want to see an innovation nation. Science is one of the jewels in the crown of Labour's years in office. And we want closer links between businesses and universities so that good ideas don't stop at the research lab or the library door.

We're one of the world's biggest investors in Research & Development. But we still do the R better than the D and that must change.

Third. We're going to do more to put finance at the service of industry by building up new public channels to deliver private funds to innovative and fast growing companies.

Less financial engineering and a lot more real engineering.

Fourth – no more saying: the market on its own will always sort it out, like some kind of dogma.

Instead, in my department, over the last eight months, we've said: "this is viable, and it's important, but the market alone won't get it off the ground. And we can help make it happen".

We've committed three quarters of a billion pounds to new manufacturing innovation in Britain.

Investing in low carbon cars and aircraft. New digital platforms. Plastic electronics. Life sciences. Industrial biotechnology. Wind turbine development and wave power.

This isn't us picking winners as happened too often in the 1970s, when more often the losers were picking us.

This is us giving public support to new technologies without which they may never get off the drawing board.

Finally, we're committed to making sure that the benefits of investment in growth are felt in every part of this country.

The Tories say abolish the Regional Development Agencies. We say "go for growth, let's see what you can do."

This is the industrial activism we need more of in this country and I am determined to provide it.

Where are the Tories on all this? When did you last hear David Cameron or George Osborne last say anything about Britain's industrial future?

I would ask Ken Clarke but his mobile phone and blackberry always seem to be turned off. Or given that he keeps privately agreeing with me, perhaps David Cameron has cut it off.

The truth is these Tories have nothing to say about an active government economic role because their dogma prevents them.

They just don't get it.

This failure, I believe, speaks to a wider truth about our opponents.

David Cameron has been pursuing a strategy not of real change, but of concealment.

Yes, they have made changes to their presentation. The image-making department has done its work and done it well. Who am I to criticise?

But the Tories seem not to realise that change has to be more than a slogan. The first rule of any marketing strategy is that it must reflect the product it is selling.

And what is becoming more evident by the day is that, in their case, it doesn't. The two faces of the Conservative Party are increasingly on show. The one they want to present to the public of a revamped Tory party. And the other that betrays the reality of traditional right-wing Conservatism.

You know, the Tories seek to give the impression that somehow they have learnt the lessons from New Labour and our party's march back to the centre ground.

Well, the Tories may have skimmed the headline summary of the New Labour manual. But they never bothered to read the book.

If they had they would know what real change involves. They would know what a painful process it is.

We in this hall know what it took to make the change. Show me what has really changed in the Conservative Party.

The truth is that the old Tory right that was rejected in 1997 are quietly feeling at home again with David Cameron.

At home with his tax plans.

At home with the barely disguised glee a new generation of Conservatives is showing at the prospect of deep and savage cuts to public services.

And at home with a position on Europe that sees them aligned with extremists and sidelined in Britain's biggest market.

That is not change. Its the same old Tory policies.

So lets take on the arguments about change.

This will be a "change" election. Either we offer it, or the British public will turn to others who say that they do.

Of course, we must celebrate our record and be proud of defending it. We did fix the roof while the sun was shining.

We can look at the way we have turned around our public services, our record on tackling poverty at home and abroad, our role as a force for progressive social change. The minimum wage and the new rights for working mothers and fathers. And we can feel proud.

But let us remember that you win elections on the future, not the past.

Do not make the mistake of sitting back and expecting people to be grateful.

We must not translate the pride we feel in what we have achieved into a defence of the status quo.

Just as we fight against a Conservative Party that is still steeped in the old Tory attitudes of the 1980s, we must not allow ourselves to fall into old Labour thinking.

The British people have their eyes on the future and so must we.

We are the true progressives.

We must be restless for change, impatient to do more for the hard-working people we serve, unafraid to embrace new reform, new policies and new thinking where it is needed.

We need to think like insurgents, not incumbents.

To challenge. To argue for change. To campaign.

To be the real change-makers in British politics.

This is our task.

We need to fight back. Of course we do.

But to do so successfully it is up to us to explain – with confidence, clarity and conviction – what the choice is.

The choice between a Conservative party whose judgements on the credit crunch were wrong, or a party providing leadership in the toughest of times.

A choice between a party that lurches to the right the second it sees a chance of doing so, or our party that is resolutely in the progressive centre.

A choice between a party that does not understand the new world we live in or even what has happened in the last year, or a Labour Party that knows the world has changed and we have to change with it.

Experience and change with Gordon's leadership.

Or the shallowness of David Cameron.

In one way or another I have been part of the last five election campaigns this Party has fought.

Let me tell you a secret. Deep down in my guts I always knew who was going to win. Even, sadly, in 1992.

This time, it is not cut and dried.

This election is up for grabs.

So conference, we may be the underdogs.

But if we show the British people that we have not lost the fighting spirit and appetite for change which has defined this party throughout its history then we can and will win.

Win for our Party.

Win for our country.

Win for the British people.