Foro 'Conservatives International 2017'

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irst of all, I want to congratulate the organizers and the sponsors of the Conservative International for gathering such an interesting group of politicians, businessmen and academics. Thank you very much for the invitation. It is always an honor to participate in events like this, to speak about the ideals that joined us a long time ago: Democracy and Freedom. The pleasure is even higher when the venue is in a city like this, just in front to the Atlantic that symbolize the Western values.

Thank you very much specially to the Alliance of Conservatives and Reformists of Europe, New Direction, The Heritage Foundation AT&T and, of course, to Dan Hannan and all of you.

My first ideas may sound familiar for many of you. They may recall to the statements of someone that modernized and led the Conservative movement to its heights. Someone that I saw last time on the occasion of the FAES Foundation prize for Liberty 2010, that was a recognition to a life-long career devoted to the defense of Freedom.

As you can imagine I'm referring, Margaret Thatcher.

Her legacy to the conservative movement is inmense, only comparable to Ronald Reagan's. Now that we live in times of confusion and populism is infecting every sphere of politics, including the conservative movement, is crucial to go back to basics.

Lady Thatcher not only was able to identify the great challenges of her time. She had the vision to put forward Conservative arguments to those challenges, and what in my opinion is even more important, she had the courage and leadership to put them in practice as a Prime Minister. As a consequence, she was the leading character of the immense transformation experimented by the British society.

Many millions of Britons had the feeling for the first time that the government worked for them, instead of them working for the government.

When she addressed the Conservative Convention in 1975, she stated that the UK needed leaders with different qualities and different styles, but able to met the challenge-of-our-time.

"What is the challenge of our time?" She asked herself.

"I believe there are two—to overcome the country's economic and financial problems, and to regain our confidence in Britain and ourselves" she answered.

More than 40 years later the world has changed a lot. But those challenges are still the same, and we need more than ever leaders able to meet the challenge of our time, that are also similar: To overcome the World's economic and financial problems, and to regain our confidence in the West and in ourselves.

I'm sure that the economic challenge has been debated at length in this Conference. It may be summarized in just four words: Economic freedom is needed. We do need more economic freedom and ambitious reforms to give back the responsibility to the people.

Economic freedom and Democracy are essential to end with the World poverty and to increase growth, development and prosperity. When economic freedom is limited or democracy fails, is the people who suffer immediate consequences like less individual freedom, restricted human rights and unequal opportunities.

We must say loud and clear that freedom is not the problem, is the solution. Economic freedom and democracy have been the engine that has taken the World to its most prosperous moments, while globalization has been a great fuel for that engine.

Many claim that it is the time to rebuild barriers, frontiers and walls between countries. In my opinion, the raise of protectionism and shortsighted nationalism is an immense mistake that can only slow down progress or in a worst case scenario it only can take us back to dark episodes of the last Century.

We need ambitious reforms to make a more prosperous world. We need modern and flexible States, independent but open to cooperate; less barriers to trade; efficient checks and balances; less regulations; and less public expending and taxes. That is, more freedom and more power for the people. We need this reform because we know very well what happens when interventionism and socialism take the control of our societies. The result is always the same: More public expending, more deficit, more inflation, more unemployment, more inequality and more poverty until, as Thatcher also pointed out, "They run out of other people's money".

As we understand it today, economic freedom is an Atlantic philosophical, legal and economic construction.

A construction that has its origins in 1776 in England, with the publication of Adam Smith's "The Wealth of Nations" as well as in the United States, with Thomas Jefferson's "Declaration of Independence".

Of course there were other manifestations of economic freedom before these publications, but I believe these two perfectly summarise what I mean by economic freedom:

By decentralizing the economic power, the free-market system compensates any possible concentration of political power.

Ultimately, the combination of economic power and political power in the same hands is the surest path to tyranny and the spread of corruption as allocation method.

That is why we need to emphasize the relation between market economy, representative democracy and rule of law. This is the Western paradigm that has led, more than any other system, to greater levels of freedom and prosperity.

Since the end of the Eighteenth century to the present, many things have happened.

Essentially, the debate on economic freedom still involves the relationship between individuals and the State; the balance between individual and collective responsibility.

In my view, the basic institutions for development, especially today in the globalized world, are easy to identify. To the ideas of open economy and rule of law we should add:

- 1. An education system that ensures equal opportunities for all and that is capable of protecting and defending excellence.
- 2. A strong State –which is not synonymous for great– whose main role is assuring equal opportunities, granting public services necessary for social cohesion, and building trust by granting compliance with the rules. The State has an essential economic role to play, which is to provide an atmosphere of stability and deliver the necessary reforms that allow the economy to adapt to a changing reality.
- 3. And finally, the freedom to trade internationally, allowing the citizens to benefit economically and non-economically– from living in a globalized world.

There is a broad consensus between economists and the academic literature regarding the advantages and disadvantages of free trade on economic growth and prosperity. In short terms, greater trade freedom means:

- a) Greater competition,
- b) Greater productivity,
- c) Lower costs,
- d) Higher revenues,
- e) Increased well-being (greater life expectancy, more civil and political freedoms, lower levels of poverty...),
- f) A wider range of products available to consumers,
- g) Lower purchase prices for goods and services.

However, in spite of this broad consensus, any step taken towards greater commercial freedom usually faces political resistance based on two indisputable facts:

- Free trade generates benefits at the aggregate level, as it implies a better allocation of resources. However, benefits deriving from free trade are not the same for all productive sectors: there are winners, but there also are losers.
- Benefits from free trade are not immediate.

Nevertheless, none of these aspects should make us fall into a protectionist spiral.

• Protectionism is the failure of politics. Protectionism means favouring a few in exchange for the welfare of the majority. Protectionism means going for the short-term and losing future growth and prosperity. Protectionism is assuming a defeat, giving up on political responsibility and taking the easy way out.

 Protectionism is never an isolated phenomenon. It always implies the impoverishment of the neighbouring countries. Not many politicians that have defended protectionism have gone down in history as responsible politicians. There are three aspects of the economic freedom I always like to highlight:

The first one is that economic freedom is not an ethereal or utopian concept.

Economic freedom depends on concrete and measurable parameters (respect for private property rights, corruption, taxation levels, public spending, and the ease of starting a business, recruiting new workers or investing and trading).

The second aspect I would like to highlight is the need to emphasize, if possible, the direct link between economic freedom and prosperity.

During the last 20 years, thanks to globalisation, more than 800 million people from all over the world have arisen from poverty.

And, finally, the third remarkable aspect I would like to mention is the need to make it clear that economic freedom always at risk and cannot be taken for granted.

Every society that has taken for granted positive cyclical economic results has failed.

In Spain, and in the rest of Europe, we are currently living a crucial time for maintaining the welfare and prosperity levels that we have ever enjoyed. Both, prosperity and welfare, have been challenged by the economic crisis.

All populisms, whether they are right-wing or left-wing, are enemies of economic freedom. In fact, all populisms, without exception, put –demagogically– economic freedom at the heart of all the problems we are now suffering.

Ladies and gentlemen,

Serious as the economic challenge is, the political and moral challenge is just as grave, perhaps more so.

Economic problems never start with economics. They have deeper roots—in human nature and in politics.

We are living a defining moment, both at a global level and in many of our countries.

There is an increasing number of people calling into question Democracy as the desirable political system. My answer is clear, but the situation is quite grave. We must reaffirm our commitment with democracy every day, every moment.

I'm very concern about the expanding generation gap, I am concerned about polls that shows us that in countries like the United States, there is over a forty percent of young people that mistrust Democracy. This percentage is even higher in other Western countries, not to mention other partos of the world. Many of them even argue that it is better to would renounce to part of their freedom if a bigger Estate provides them with a basic level of economic stability.

That's one of the many reasons why populism, nationalism, extremism and other expressions of totalitarian ideologies are raising everywhere, and they pose an inmense threat to our societies because they root and grow on frustration, fear and hate. And history has shown us the result of this spiral.

It isn't Democracy what has failed. It has been the people in charge of strengthening the essential institutions of a true democracy: Checks and balances, limits to the government, independent Courts of Justice, rule of Law, Freedom of Speech and association, a true defense of property rights, equal opportunities, etc.

As many politics and public servants have failed, many people had a sense of helplessness and finally has loss the confidence in the whole democratic system.

We have an urgent challenge, to restore Democratic values at the core of our societies.

We need ambitious reforms and people truly committed with democracy and Freedom and able to restore politics as a core element of our open societies.

We need to promote reforms that make compatible the technological revolution with a far higher standard of prosperity and happiness based in incentive and opportunity, and founded on human dignity and freedom.

And we must demand public educational systems that preserve the fundamental beliefs and values of every student instead of becoming extremist political indoctrinators.

The reality of politics is action, but we all know that there is no action without ideas. The action in politics derives from thought, and consistent action demands consistent thought. The conservatives are accused for not having a systematic set of ideas. Given that there is no universal conservative utopia, the illusion has arisen that there is no conservative thought, not set of beliefs or principles, no general vision of society, which motivates conservatives to act.

I would like to highlight that the conservative attitude in politics, and the ideas which sustains it, are both systematic and reasonable. And I would like to underline that it is very capable of expression, even though the conservatives are reluctant to the ideological language, because they see value in prejudice and danger in the abstract though, which tries to impose a general vision of society against the general arrangements of a political community.

If I had to choose a way to define conservatism I would argue that conservatism arises from the sense that we belong to some continuing and preexisting social order. And I would also argue that this very fact is all important in determining what to do. That is the reason because I have always very much appreciated the philosopher Michael Oakeshott's definition of what it means to be a conservative:

"To be conservative, then, is to prefer the familiar to the unknown, to prefer the tried to the untried, fact to mystery, the actual to the possible, the limited to the unbounded, the near to the distant, the sufficient to the superabundant, the convenient to the perfect, present laughter to utopian bliss"

The conservatives are also been historically accused of been reluctant to all manner of change. But the natural desire to conserve is compatible with all manner of change, provided only that change is also continuity.

My personal concern with the very concept of historical and institutional continuity has nothing to do with an irrational worship of traditions. To the contrary, it has with the very concept of freedom and liberty. Our freedom it is not a gift, it is the result of a long process of historical and political evolution. It could be defined as the bequest of a long process of institutional adaptation to the changes faced by our modern societies. In this regard, I agree with the words of the philosopher Roger Scruton when he writes that "freedom without institutions is blind: it embodies neither genuine social continuity nor genuine individual choice".

Ladies and gentlemen,

What are our chances of success? It depends what kind of people we are. Well, what kind of people are we?

When I was elected as the leader of my political party, I had a very clear idea. We needed to transform an old-fashion, small Conservative Party, in a modern one without political families, in which conservatives, neo-conservatives, libertarians, Christian democrats could work together. It was the only opportunity to defeat a Socialist Party that'd taken the political control not only of the government, but of the society.

We succeeded because we promoted reformist proposals that build a true trust in the future giving more opportunities to individuals and companies. That's why Spain experimented a true social and economic revolution from 1996 to 2004 becoming a freer and more prosperous society that what it was used to be.

It is the time for us to renew our commitment with freedom a democracy.

Gatherings like this one are a good opportunity to do it, and a perfect place to exchange ideas and make bonds among us. Everyone is needed.

I have spoken of the challenges that face us in the World. The challenge to recover economically. The challenge to recover our belief in ourselves.

I have dealt with some aspects of our strength and approach, and I have tried to tell you something of my personal vision on the tasks to do.

You can always count on me as part of the movement.

Let us proclaim our faith in a new and better future. Freedom will prevail.

Let us keep on working.

Thank you very much.