SIR VINCE CABLE,
Liberal Democrat leadership candidate

AM: Sir Vince Cable has the reputation as a somewhat pessimistic, of often accurate economic guru, but he’s now almost certain to be the new Lib Dem Leader. Now I don’t want to be rude, Sir Vince, but it doesn’t seem as if anybody else actually wants the job.

VC: Well, we’re at seas. I mean I – there’s no competition at the moment but you know I’m happy to take the job if that’s what comes along.

AM: So Gordon Brown, coronation. Theresa May, coronation. Sir Vince Cable, is there a bit of a lesson of history here?

VC: Well I think the last Lib Dem who got in on a coronation was Joe Grimmond actually and was a great role model in fact. But I don’t think that’s terribly relevant. I mean I think, you know, I’m actually very optimistic about what I and a very good team of colleagues can achieve. I mean I think on the big issues of the day, like Brexit we’re in exactly the right position with a long standing principled position that will become increasingly in line with the mood of the country and as the economy deteriorates. So I’m very optimistic about what we can do.

AM: I suppose the serious point is that with a leadership contest the party has a chance to re-look itself in the mirror and have some really hard – take some hard decisions and take a clear change of direction. And for instance, are you going to have your own leadership manifesto? Are we going to see the Vince Cable manifesto before you become leader?
VC: Yes, you will and indeed I am working on it at the moment. We have a process in the party, comes to a conclusion in about 12 days’ time and indeed I will have a manifesto and it will set out what I and my colleagues will be able to achieve.

AM: Are you in any respect going to lead the Liberal Democrats in a different direction to Tim Farron?

VC: No, Tim did a very good, you know, built up our membership, created a lot of enthusiasm, but the situation’s moved on and I think in two fundamentally different ways from where we were two years ago. The first is that of course the whole Brexit debate now dominates the national agenda and I will have to approach that consistently with where we were before, but in a different parliament. And I think the other thing which is different from a couple of years ago is that the two major parties we competed with are in a very, very fragile state. I mean the divisions in the Tory party are palpable and open. The Labour Party is already talking about expelling, you know, 50 of its MPs for ideological deviation. I mean this is a very different world from the one Tim inherited.

AM: That was just a Facebook page really, wasn’t it? Presumably they’d be welcome in the Liberal Democrats if they were expelled but there’s no real suggestion of that.

VC: Well, we have a generous policy to refugees and if they come they will get food and accommodation, but no, I don’t know what will happen but I think it’s a symptom of very, very deep division on a fundamental point, because you know, Jeremy Corbyn had a good election for sure, but there is an element of a bubble about it. I mean he managed to attract large numbers of people on the basis that he was leading opposition to Brexit. Actually he is very pro Brexit and hard Brexit and I think when that becomes apparent the divisions in the Labour Party will become more real
and the opportunity for us to move into that space will be substantial.

AM: Let me test you on a few policy areas if I may, because one of the things that Jeremy Corbyn did was he enthused young voters, partly by attacking the whole tuition fees policy. Now you are the man who raised tuition fees to £9,000. Is your policy to keep it there, to reduce it or to abolish them?

VC: Well, it’s certainly not to abolish it, because the system has actually worked well in many respects. It’s kept universities properly funded, it’s opened the way to a large number of low income students, but there are clearly problems with the system. You know, the universities do operate as a form of cartel, there are issues around interest rates, so I’m certainly up for having a fresh look at it.

AM: Are you happy with the situation where people from quite humble backgrounds can leave university with a debt of £57,000 and high interest rates? Is that really fair?

VC: What is fair, and let’s remember this is not a system I and my party created. It was created by

AM: Well you jacked it up.

VC: - it was created by a Labour government who promised not to introduce it and did and promised not to increase it and did and supported by the Conservatives. What I did was substantially to raise the thresholds –

AM: You tripled the £9,000.

VC: Yes. I raised the threshold of repayments, so it effectively operates as a form of graduate tax and increased the generosity
of grants for maintenance, because half of this debt is because of maintenance, it’s not because of tuition, and the Conservative government then abolished that. So there are certainly things that need looking at. The one thing I would stress is that there are 60% of young people who don’t go to university. They don’t get access to the student loan scheme. I’ve been working with the National Union of Students over the last year looking specifically at further education and that 60%. So if we review this system, and I’m certainly up for being open minded and pragmatic about it, we’ve got to look at young people as a whole and not just the 40% who go to university.

AM: Should taxes overall go up or not?

VC: Yes. I think there should be a shift in the balance.

AM: Beyond the one penny that the manifesto said?

VC: Yes, there should and indeed to spelt out in the manifesto how taxes should rise, moderately, but some of the tax cuts, particularly in the capital side the Tories have introduced since 2015 we would end them. So yes, I’m all in favour of fiscal discipline. We’ve got to, you know, we’ve got to reduce the deficit on current spending by 19-20 so a legitimate target, so in that sense I’m favour of fiscal discipline, but I certainly want to shift the balance away from extreme cuts on public services which are particularly harsh in local government and have a bit more taxed balance. And I would also have more financing of public capital investment for housing.

AM: On Brexit, do you want Britain to fail economically?

VC: I do not want it to fail economically. I don’t think the public voted to have cuts in their standard of living and I think that’s why - there are two objectives I think in the Brexit –
AM: The reason I asked that, if I may interject, is that you have said you have to hang on while the economy deteriorates before the public mood changes and that’s your moment, which makes it sound as if you’re going to be a kind of economic Eeyore as it were, observing disaster happening and just waiting for your moment.

VC: No. I think it’s not waiting for the moment. There is an imminent issue which is whether the government continues to pursue the so called hard Brexit, leaving the customs union and the single market and we’ve got to work with other people. We did last week – there was a motion in parliament led by some Labour MPs, we supported to try and head off that disastrous outcome. But it may well be that with the situation deteriorating in the economy, as I think it will, I mean none of us are certain, but I think it will, people will realise well we didn’t vote to be poorer and I think the whole question of continued membership will once again arise.

AM: Let me ask you about this parliament because in the end around a hundred MPs or a sixth of the MPs voted for that motion which suggests the single market issue is now dead for this parliament, but you’ve talked about making alliances and talking across parties, do you begin to see an alliance sufficiently deep into the Labour family and deep into the Tory family as well of pro-EU politicians which is big enough to frustrate Theresa May’s ideas on Brexit?

VC: Yes. I think a lot of people are keeping their heads down. We’ll see what happens in the autumn when people come back. I’m beginning to think that you know, Brexit may never happen.

AM: Really?
VC: I think the problems are so enormous. The problems are so enormous, the divisions within the two major parties are so enormous, I can see a scenario in which this doesn’t happen. And certainly, you know, our policy of having a second referendum, which didn’t really cut through in the General Election is designed to give a way out when it becomes clear that the Brexit is potentially disastrous.

AM: One thing that the party may be getting if they take you, as it were as their new leader, is experience and wisdom and yet last week you said something extraordinary. You compared Theresa May to Hitler. That wasn’t experienced was it?

VC: No, no I don’t think that at all. Actually I got my literary reference wrong. I think it was Stalin who talked about rulers cosmopolitans. No I was –

AM: ‘I thought that particular phrase, citizens of nowhere, was quite evil. It could have been taken out of Mein Kampf.’ That was a silly thing to say, wasn’t it?

VC: Well if you read the next sentence what I said it was totally out of character and that provided the balance in the quote.

Ends.