THE ANDREW MARR SHOW

INTERVIEW:

NICK CLEGG, MP
DEPUTY PRIME MINISTER
SEPTEMBER 23rd 2012

ANDREW MARR:
The legendary film director Oliver Stone and his new film, ‘Savages’, has, shall we say, been savaged by some of the reviewers. The same applies to another film released on YouTube by my next guest. Nick Clegg’s apology for breaking his party’s pledge on tuition fees was called “abject” and “desperate” by his detractors and quickly set to music in a popular satire, which, it has to be said, he has taken in good part. His widely trailed party political broadcast is going to be shown in full tomorrow night, but before I talk to Nick Clegg about why he did it, whether it’ll make any difference and the many challenges facing him as Lib-Dem Leader, let’s have another look at what is by any standards an unusual political moment.

NICK CLEGG APOLOGY:
There’s no easy way to say this. We made a pledge, we didn’t stick to it, and for that I am sorry. When you’ve made a mistake, you should apologise. But more importantly, most important of all, you’ve got to learn from your mistakes, and that’s what we will do. I will never again make a pledge unless as a party we are absolutely clear about how we can keep it.

ANDREW MARR:
As I said, most unusual to make it and then release it in the way that you did. Was there a sort of light bulb moment when you thought I have to do this?

**NICK CLEGG:**
No, actually for quite some time I’ve been wanting to say that because well it’s no secret. I mean, it’s as I said. I think what we did was a mistake, I think it was wrong, and I’ve been meaning for some time to kind of put my hands up and say we made a mistake. We’ve also done lots of good things, which I felt were being obscured by that, and so I just wanted to kind of make the apology in a simple, direct way, which - as you say - of course gets mocked and sneered in a way … in frankly, in many respects, in quite amusing ways, musical and otherwise. And I think the kind of Westminster village is always quite sort of cynical about these things. My hope is that there are some, not all - of course some people will say oh well it’s not going to make any difference - I hope some people will recognise that in politics, as in life, it’s sometimes just the right thing to say we made a mistake …

**ANDREW MARR:**
*(over)* To say sorry.

**NICK CLEGG:**
… admit it, and we won’t do it again.

**ANDREW MARR:**
Because the people who are still angry will say the problem was this was an entirely deliberate and rather cynical attempt to get the votes of students in places like your constituents, Cambridge and others, and you can say sorry but they gave you their votes you know on a false prospectus and you know you can’t give them their votes back again.

**NICK CLEGG:**
Well let’s be clear. We campaigned at the last General Election on a manifesto which was based on what we would do if we were running the government and I was Prime Minister. Okay? What I’m apologising for is something slightly different but quite importantly different, which is that we signed a pledge which said that we would vote
against tuition fees under any circumstances, under any circumstances, and clearly …

ANDREW MARR:
(over) We can see it in a second, yeah.

NICK CLEGG:
But if I can just stress the point. I lead a party which has 8 per cent of MPs in the House of Commons. That’s just a political fact. I’d like to be Prime Minister, I would like us to have won the General Election. We didn’t. We came third. We in fact lost a number of MPs. So what I …

ANDREW MARR:
But you knew it was unlikely that you were going to become Prime Minister, if I can say so. And, furthermore, when you held that pledge up, you were promising that you would not vote in a particular way and then you did. When you see that pledge again, do you cringe? Do you think that was just a terrible, terrible moment for me?

NICK CLEGG:
Well forgive me, I’m just going to repeat myself. I think it was a mistake, I think it was wrong, and for that I think it was right that I should apologise.

ANDREW MARR:
And to those people who voted for you and say, “I can never vote Liberal Democrat again. I’m so … I feel so betrayed”, what do you say to them?

NICK CLEGG:
Well I guess … you know I guess I’d ask them, particularly those who say, “Oh that’s why I’m going to put all my faith in the Labour Party”, have they heard Ed Balls apologise for him going on a prawn cocktail charm offensive in the City of London to let the banks off the hook which got us into this trouble in the first place, have you ever heard the Labour Party really apologise for dragging us into what I consider to be an unjust and illegal war in Iraq? I know what I’m doing is unusual. I wanted to do it for some time because I just in plain, simple, human terms think that we made a mistake, it was wrong and I should apologise, and you know I’m waiting still for
some apologies of some pretty big things from the Labour Party as well.

**ANDREW MARR:**
Let’s move on to what is clearly your main theme at this conference: fairer taxes for hard times. Are you seriously suggesting that you are going to be able to introduce a wealth tax during this parliament?

**NICK CLEGG:**
I mean can I just be clear? My view is this. We now know, right, that the country is going to have to go through a period of belt-tightening, of what they call fiscal retrenchment for longer than we’d hoped, and whoever is going to be in government in the next parliament - Labour, Conservative, Liberal Democrats or a combination of all three - will have to introduce further savings. That is an economic fact now. We would have liked to have tried to clear the decks before the end of this parliament, but that has not proven to be possible. I think, therefore, it’s important we start having a debate now in the middle of this parliament about the principles which will govern that process because we as a country will not have gone through such a lengthy period of belt-tightening almost at any time since the last war. So this is a huge undertaking for us as a country and I start from the simple principle that when you’re doing that, you should start at the top and work down, not start at the bottom and work up in trying to work out how you make the numbers add up. And that is why when I hear people from the right say all the money should come from poor people, should come from people who have to rely (some of them) out of no … through no fault of their own because they’ve lost their work and need some support before they find new work, that all the money should be taken away from them - I’m saying no, hang on a minute, let’s make sure that we do this as fairly as possible. And if I can …

**ANDREW MARR:**
I understand the principle. What I want to know about is actually …

**NICK CLEGG:**
Yeah.

**ANDREW MARR:**
… what you are suggesting. Are you suggesting, for instance, a mansion tax? Are you one of those people who say you can’t move houses and, therefore, that is a good thing to look at in terms of a wealth tax?

NICK CLEGG:
I believe in a mansion tax for the very simpler reason that I can’t for the life of me understand why anyone thinks it’s okay that if you’re an oligarch in a three million pound house in the middle of London, you pay the same council tax as someone on a family home next door. So I believe in a mansion tax. We have not yet, we have not managed to persuade the Conservatives even though, I have to say, there are an increasing number of Conservatives who understand the merits of having more tax on high value properties, so you can lower tax on effort and work and income and initiative.

ANDREW MARR:
Okay, I understand the principle. Can I ask you, is there a snowball’s chance in hell of a Conservative led government introducing a wealth tax?

NICK CLEGG:
I think there is a very considerable chance (because we’ve already done a lot of it) to make sure that the top pay more tax, whether it’s …

ANDREW MARR:
And you can persuade George Osborne of that?

NICK CLEGG:
Hang on, I’ve already persuaded the Conservatives to increase capital gains tax, to increase stamp duty, to massively clamp down on tax avoidance - such that most authoritative figures will now show you that because of decisions we’ve taken with the Conservatives - yes, would you believe it, in government - the top 10 per cent are paying more rather than less in overall …

ANDREW MARR:
Okay.
NICK CLEGG:
… in overall tax. And all I’m establishing here is not sort of going through a great, long list of additional policies - which of course there are plenty of additional ideas around - but it’s establishing the principle that as fiscal restraint has to carry on for longer than we thought, you have to ask people at the top to make a contribution. And can I …

ANDREW MARR:
(over) A principle is one thing.

NICK CLEGG:
And I think many people who are of considerable wealth in this country want to play their part. This isn’t the politics of envy. This is not going after people who are successful. This is making sure …

ANDREW MARR:
Right.

NICK CLEGG:
… that we make this journey as a country, that we succeed in making this journey in a fair and equitable fashion.

ANDREW MARR:
What I’m still confused about is whether this is a sort of jolly aspiration - one day wouldn’t it be nice to have a wealth tax …

NICK CLEGG:
Yuh.

ANDREW MARR:
… that’s actually what we need to do - or whether there is any concrete chance whatever during this government of a wealth tax …
NICK CLEGG:
(over) Let me draw …

ANDREW MARR:
… because I would suggest to you there is none and that, therefore, this is just words?

NICK CLEGG:
No, let me draw a helpful distinction for you. Do I think I am going to succeed David Cameron and George Osborne to do the right thing and to take on the argument for people who live in very, very fancy mansions of you know two million pounds or above? So far, I have failed to do so. I will continue to make the argument and there are a number of Conservative MPs who are. So that …

ANDREW MARR:
(over) And you will carry on failing to do so, I suggest to you?

NICK CLEGG:
No hang on, hang on. But - and this is where you’re I think failing to make a distinction - the mansion tax is not the only way in which you can make people at the top make a fair contribution to this huge national effort of balancing our books; and we have already, as I’ve illustrated to you, through capital gains tax, through stamp duty, through tax avoidance and many other measures, already ensure that the top 10 per cent pay more. And we can do more of that.

ANDREW MARR:
Okay, is … Well I was going to say - let me put the question slightly differently - is there any realistic chance, do you believe that this Conservative led coalition government is going to make the wealthiest in this country pay more with some new measure before the election?

NICK CLEGG:
Yes.
ANDREW MARR:
What kind of new measure do you think you’re talking about?

NICK CLEGG:
Well that’s clearly the kind of thing that we’re talking about.

ANDREW MARR:
And you think you can persuade George Osborne to squeeze the rich a bit harder?

NICK CLEGG:
I think … It’s very simple. I think you’re being too complicated about it.

ANDREW MARR:
No, no, it’s a simple … that’s a simple question.

NICK CLEGG:
And I’ve said yes. I’ve given you a one word answer - yes - and I’ll tell you why. Because I think the vast majority of people in this country would find it wholly unacceptable if further fiscal austerity was basically implemented on the backs of the poor. Most people in this country are very fair-minded. They understand they’re in the middle of a very difficult journey of repairing, rescuing and reforming our British economy, and they want us and they want particularly Liberal Democrats in government to fight for the fairest possible way of doing that. Now let me be clear. I’m not saying that something as big as welfare, which is about a third of government expenditure, is immune from further savings, but I’m saying that the burden has to be spread fairly - yes.

ANDREW MARR:
The reason I’m going on about this is that those fair-minded people out there who are listening to this conversation, who want the wealthy to pay more, are hearing you at this conference say yes, we are going to make the wealthy pay more. If you don’t deliver that, that’s going straight back to the tuition fees problem.

NICK CLEGG:
Yeah, sure.
ANDREW MARR:
You’re saying something you can’t deliver.

NICK CLEGG:
Andrew, look, I am, I am …

ANDREW MARR:
Tell me more about how you’re going to make the rich pay more.

NICK CLEGG:
Well there are numerous ways as I say that we’ve already done it and there are numerous ways that you can do more of it. If you don’t mind, I think it’ll just bore viewers if we go through all the great encyclopaedic list …

ANDREW MARR:
(over) Therefore give me one example of something that you haven’t done before that you can do in the future.

NICK CLEGG:
All the kind of things that we’ve already done, whether it’s on capital gains, whether it’s on …

ANDREW MARR:
(over) No, no, not already; in the future.
NICK CLEGG:
… whether it’s on high property transactions. All of that, you can do more of. But if you don’t mind, at the moment, given this is all about what the country does in the next three, four, five, six, seven, eight years, I think it’s right that I set down principles by which we do that. And why I can be so emphatic is because I think it would be un… It’s certainly unacceptable to me, I think it would be unacceptable to the vast majority of the British people, and I actually think that sensible Conservatives realise that it would be unacceptable to only introduce further measures of belt-tightening in a way which only hits on the poor. That isn’t right. That’s not the
way you reward aspiration.

**ANDREW MARR:**
If you can’t get any kind of movement, serious movement from the Chancellor on this, do you then veto further cuts on, for instance, welfare budgets?

**NICK CLEGG:**
I can’t … I don’t think I can be much clearer with you. I will not accept a new wave of what they call fiscal retrenchment, of belt-tightening without asking people at the top to make their contribution, to make an additional contribution. I don’t think you can ask people on middle and low incomes who, after all, are the vast majority of the British population to bear the brunt of this adjustment.

**ANDREW MARR:**
And when it comes, sorry, to the timing of all of this, is it the case that the Liberal Democrats will not accept a planned further reduction in spending that goes beyond 2015?

**NICK CLEGG:**
We have plans for … our spending plans, the overall spending plans which bring us up to April 2015, and those will stay in place - not a penny more, not a penny less. However, there is a very specific issue about the financial year 2015-2016. If this government doesn’t sort of cross all the Ts and dot all the Is about what the public spending plans are going to be for that year, then quite literally the lights start going out at Whitehall, civil servants don’t get paid, you don’t get central government transfers to local authorities. So we have to - we’re under a duty, it’s absolutely right we should do this - to set out in detail what the spending plans are for the years 2015 to 2016. After all, we’ll be in government for the first five weeks of that financial year and possibly longer depending on the outcome of the next General Election. However, we’re not going to be bound hand and foot as Liberal Democrats to Conservative spending plans over the whole of the next parliament, but we will need to fill in in full detail for that first year, yes.

**ANDREW MARR:**
So when George Osborne says he wants a three year programme, he can’t have it basically - further three programme?

NICK CLEGG:
(over) Well of course George Osborne is happy to talk …

ANDREW MARR:
(over) Okay.

NICK CLEGG:
But can I just make one other point, which is that this is part and parcel of something which I think most people agree with, which is that as we fill in the black hole in the public finances, as we fill in the banks, we’ve also got to make sure that we don’t just put Humpty Dumpty back together again and make the same old mistakes; that we rewire the British economy to make it fairer and give people more opportunities. And let me give you one very good example. At the moment we’ve got thousands of young people who are desperate to get their feet on the first rung of the property ladder, but you know deposits have doubled, the number of young people who are asking help from family members to get a mortgage has doubled. So I can announce today that the government is going to do something which hasn’t happened before - is we’re going to work out ways in which parents and grandparents who want to help their children and grandchildren buy a property of their own, we’re going to allow those parents and grandparents to use their pension pots to act as a kind of guarantee, if you like, so that their youngsters, their children and grandchildren can take out a deposit and buy a home. It’s a pension for property scheme. And that’s yet another example - and I’ve got Steve Webb and Danny Alexander working out the details …

ANDREW MARR:
(over) Okay, working on that. Okay.

NICK CLEGG:
It’s yet another example of the way in which we’re getting people who don’t have a great deal of disposable income, but do have a pension pot - to use that for the good purposes of helping their children and grandchildren buy a home that they can call
their own.

ANDREW MARR:
Okay, let’s turn to another aspect of this because a lot of people will say yes, a wealth tax is something we can imagine with a Lib-Lab government; we can’t see it happening with a Lib-Conservative coalition government. And the reason that is so sensitive a matter is because so many of your own colleagues are closely in touch with the Labour Party talking about things like a mansion tax. Vince Cable on this programme said that he was discussing this matter with the Labour Party. Simon Hughes has just said that he’s texting Ed Miliband. Are you not a little concerned that all around you the rest of the senior Liberal Democrats are on their BlackBerrys and phones chatting to the other side?

NICK CLEGG:
Well look, the first thing is, I would say, I think they would get wildly over excited about the shock horror revelation that grown-up politicians talk to each other across party lines. Over the last few weeks, I’ve had lengthy conversations with Ed Miliband, with David Miliband, with Tony Blair, with Peter Mandelson - grown-up politicians …

ANDREW MARR:
(over) Talking about a wealth tax?

NICK CLEGG:
Talking about other things - talking about Europe, talking about political reform, talking about things which politicians always, always and will continue to talk about.

ANDREW MARR:
But a wealth tax as well?

NICK CLEGG:
Well can I just on the wealth tax. It was the Labour Government, it was the Labour Party which presided over a tax system for thirteen years which had two features which Labour have now conveniently - no, it’s a very important point since you’ve raised Labour - firstly the upper rate of tax was lower, was lower at 40 per cent than
our new upper rate of tax, the much criticised one, at 45 per cent for all of the …

ANDREW MARR:
(over) You voted to cut income tax for the richest.

NICK CLEGG:
(over) No hang on, wait. No, listen, that’s what I’m trying to point out to you. The cut that we’re introducing next April will still leave the upper rate higher …

ANDREW MARR:
(over) Than it was under Labour, okay.

NICK CLEGG:
… than it was under Labour. That’s the first point. And the second point is it was Labour that presided, despite our constant warnings to the contrary, over a grotesque tax system which allowed, I don’t know, a banker in the City of London to pay less tax on their dividends and on parts of their income …

ANDREW MARR:
Sure.

NICK CLEGG:
… than a cleaner did on their wages. Now we changed that by raising capital gains tax by a significant amount the moment we came into government.

ANDREW MARR:
Okay, now …

NICK CLEGG:
So, ironically, it was a Liberal Democrat - I agree with you, it’s ironic - it was a Liberal Democrat Conservative coalition government that introduced fairer tax measures which Labour had balked at for thirteen years.

ANDREW MARR:
But we are now in a position where Ed Balls and Vince Cable are discussing a mansion tax, and part of the problem for you is that Ed Miliband has made it absolutely clear that any chance of a Lib-Lab alliance after the next election depends on you going.

NICK CLEGG:
Well, look, it’s not up to Ed Miliband or Ed Balls to decide what the outcome is of the next General Election.

ANDREW MARR:
No, but if that’s the …

NICK CLEGG:
No, hang on, I will say in the run-up to the next General Election what I said a thousand times (no doubt to you as well, Andrew) in the run-up to the last General Election, which is it is not about the personal likes and dislikes of individual politicians that should drive the composition of British governments in the name of the British people. It should be the British people. Now in the last General Election, as you will remember, the only possible outcome, the only possible outcome to create stable government, which we needed at a time that the country was teetering on the economic brink, was a Conservative-Liberal Democrat coalition. And whilst I know that there is plenty of criticism about this decision or that decision, I’ve apologised for things we’ve made mistakes on, I think the big judgements the Liberal Democrats have made, the big judgements - and at the end of the day it’s the big judgements which you get judged on at Election Day in 2015 - were right. We were right to go into government in the first place.

ANDREW MARR:
And at that moment, you made it absolutely clear that you would not go into government under any circumstances with Gordon Brown leading the Labour Party …

NICK CLEGG:
(over) A wholly …
ANDREW MARR:
… so it’s hardly surprising that they’re turning around saying right, we don’t want Clegg.

NICK CLEGG:
That was a wholly different matter. Gordon Brown was Prime Minister and the British people would not have accepted the Prime Minister becoming Prime Minister again via the back door.

ANDREW MARR:
They may feel the same way about Deputy Prime Ministers.

NICK CLEGG:
Well, look, I think it was completely different. Gordon Brown had been Prime Minister. He’d lost the General Election. I quite understand - I said this out of no personal malice - it would have been wrong for Gordon Brown, having lost the General Election, to walk into the door of No. 10 again.

ANDREW MARR:
As to your own future as Party Leader, if the Liberal Democrats …

NICK CLEGG:
(over) Much speculated upon.

ANDREW MARR:
Much speculated upon; there’s plenty of people plotting all around us.

NICK CLEGG:
I’m not sure if that’s right.

ANDREW MARR:
I can assure you; I’ve met some of them. They really are, let me tell you. Are you
absolutely sure that you’re going to be Party Leader at the time of the next election? You’ll say you want to be Party Leader, but it is up to this party and you know your internal polling figures amongst Liberal Democrats are terrible, never mind the electorate. A lot of people saying we really have to move Nick Clegg as Party Leader if we’ve got any chance of avoiding slaughter in the local elections and then in the General Election.

NICK CLEGG:
Look, I’ve just spent the whole summer going around with respect speaking to more Liberal Democrat members than you have. I’ve seen …

ANDREW MARR:
That’s certainly true.

NICK CLEGG:
It’s certainly true. I make it my business - which is right, it’s one of the things I actually enjoy about my job - really understanding what people are feeling in my party which I lead. I have been to every single part of the country holding open sessions where people can ask me questions. And, yes, there are anxieties; yes there are concerns about clearly the damage done to our standing in the polls because of what we’ve done in coalition government. But there is extraordinary resilience and unity, and I would ask you after the end of this conference to make a fair judgement about whether you think this party …

ANDREW MARR:
Okay.

NICK CLEGG:
No, hang on, let me finish.

ANDREW MARR:
Are you …

NICK CLEGG:
Let me finish, let me finish.

ANDREW MARR:
Okay.

NICK CLEGG:
… is a divided party or actually an extraordinarily resilient party, graceful under fire, yes accepting that we’re getting it in the neck from right and left and of course I get it in the neck more than anybody else as Leader …

ANDREW MARR:
(over) So there is … Sure. There is no …

NICK CLEGG:
(over) That’s what leaders do, that’s part of my job and I …

ANDREW MARR:
(over) … there is no chance that you are going to give … are going to stand aside before the election? Absolutely clear.

NICK CLEGG:
I think the idea that when you’re halfway up a mountain, you suddenly bail out; when the journey gets most difficult that you suddenly flinch …

ANDREW MARR:
So you’re not going anywhere?

NICK CLEGG:
I’m not going to flinch.

ANDREW MARR:
Alright.

NICK CLEGG:
I don’t think you should flinch when you’re on a journey.

**ANDREW MARR:**
Okay.

**NICK CLEGG:**
We’re only halfway through that journey where no-one can possibly predict what the circumstances economic and political are going to be in 2015. And in the meantime what I’m going to concentrate on is what is the central mission of the Liberal Democrats in government, which is not only to rescue and reform the British economy but to do so fairly as well.

**ANDREW MARR:**
If Andrew Mitchell was a Liberal Democrat minister, would he still be in his job?

**NICK CLEGG:**
I think that civility, being courteous to the police is important you know at all times, but of course it’s especially important given the tragic events - the killing of Fiona Bone and Nicola Hughes. So what Andrew Mitchell did was wrong, very wrong. He knows that and he’s apologised to the police and explained himself and I think he was right to do so.

**ANDREW MARR:**
Do you think he needs to make a fuller explanation? Does he need to come in front of the cameras and explain what happened and talk to the country because a lot of people are very angry about this?

**NICK CLEGG:**
They are angry and I can understand that they think you know it is just plain wrong to be discourteous and rude to the police who are only doing their job, after all. Unless …

**ANDREW MARR:**
It’s that word ‘pleb’ that seems to have caused most anger.
NICK CLEGG:
Yeah of course, of course, and he has apologised for it and quite right too. He should do and he has done. I think unless something comes to light about the rival versions about what was and what wasn’t said that I don’t know about, I think he should apologise, apologise in full - he’s done that; that’s right - and draw a line under …

ANDREW MARR:
(over) And stay in his job?

NICK CLEGG:
… and draw a line under it in that way.

ANDREW MARR:
Alright. Nick Clegg, for now thank you very much indeed.

INTERVIEW ENDS