

# Introduction—

## The answers are out there

I have occasionally been a passive investor in businesses, but not so occasionally that I am unable to say with certainty that it is not for me. I much prefer to be involved – to make sure that my investment is wisely placed and, where I can, to help. Similar rules apply in respect to the charities to which I give. I like to be involved.

My financial contributions to the Conservative Party could be classified similarly, especially in recent years. What began as admiration at a distance for the work of Margaret Thatcher has grown over a twenty-year relationship with the Party to a much closer association. During William Hague's time as leader, I was Treasurer of the Party, and I have recently rejoined the Board. I have learned a great deal and believe I can contribute more effectively.

I am known to be a donor to the Party, and I am proud of that fact. But I would not wish anyone to imagine that my financial support comes, de facto, with strings attached. There is a very clear distinction to be drawn between the exercise which I am about to introduce – which is unashamedly a contribution to the debate as to the future complexion and presentation of the Party – and affluence seeking influence. In my case at least, the latter could not be further from the truth.

It was eighteen months before the 2005 general election that I decided to help the Conservative Party's campaign in target seats. I was impressed by the discipline that Michael Howard brought to the party as its new leader and having taken a relatively low profile because of business commitments in recent years I decided to get more involved again.

I am conscious in electing to publish this report now, that I do so during the preliminary skirmishes of a contest to decide the future leader of the Party. I have little doubt that, before the ink on this document is even dry, more than one of the contenders will seize upon these findings as proof positive that only they are capable of delivery against these findings.

I should make it clear that this report is a contribution to the debate about what the party does now to reconnect with the lost voters who will form a part of a winning coalition in the future. In this pamphlet, I have not set out to criticise personally those responsible for the General Election campaign. Like the time it takes to change the course of a super tanker, the appointment of Lynton Crosby was too late to make a significant difference. Michael Howard fought a determined campaign and restored discipline to the party. The campaign was professional and

vigorous. We need to look back at the campaign and learn the lessons of our devastating defeat but then we must look forward and renew our party so that it wins again.

I welcome the fact that there will be discussion – even disagreement – about this work. Indeed, I would be disappointed if it were otherwise. I would, though, make just one request. And I will answer just one question before it is even asked.

My request is that those who wish to comment on these findings do so only after reading them, and after giving them due consideration. A great deal of thought and effort from some very talented and diligent people went into completing this exercise. They deserve equal thoughtfulness from those who wish to assess this work.

My answer to the question that has yet to be asked is, No. I have not produced this document in order to support any one candidate for the leadership. I hope all of them will read it and learn from it. I wish all of them well as we embark upon what will undoubtedly prove to be a testing as well as vital time for the Party. The work on this publication, in fact started back in the middle of 2004 when it was clear that the candidates to whose local efforts I had contributed were not making the headway that their labours warranted. Though under no illusions about the scale of the task that faced the Conservatives at the election I was puzzled that many of these exceptional candidates, running energetic and positive campaigns focused on issues that mattered most to their prospective constituents, were not reporting a better response.

My puzzlement only increased when the Conservative co-chairman, Lord Saatchi, reported in the autumn of 2004 that the party had concluded from its private research that it was in fact heading for victory in 103 of the 130 most marginal Labour seats. This was a much-needed boost to morale among staff and volunteers, but I feared that this conclusion was seriously flawed and that the decision to target more than 164 constituencies (which included 34 Lib Dem held seats), many of which barely qualified as marginals, may have been a serious mistake.

Successive dismal and entirely expected general election defeats had not muted the Conservatives' insistence that published opinion polls were not to be trusted. But it seemed to me that despite the politician's mantra that the result of the General Election was "the only poll that matters", it was usually depressingly similar to that forecast by all the other polls in the preceding weeks and months. The published polls had not been seriously wrong about a general election result since 1992, and the habit of dismissing

their findings now appeared less to do with healthy scepticism or cheerful optimism than a turning away from reality. Although the party carried out its own research, the conclusions were at odds with all the other available evidence, the strength of which the party failed to see. The belief that the party was on the verge of winning an election seemed implausible, blinkered and naïve.

I therefore decided to commission my own programme of research, with the aim of establishing the real state of public opinion on the questions that would determine the outcome of the general election: not only the true level of support for the parties but the underlying attributes associated with each. I wanted to find out whether the picture in marginal seats really was different from that in Britain as a whole, and whether the 164-seat battleground made sense; whether Conservative fortunes could be turned around through policies and issues or whether the party's problem was deeper; and why it was that many of the candidates I had decided to help fund were finding it so difficult to build support.

Over the course of seven months I commissioned twelve pieces of research: five surveys of the battleground on which the party would take on Labour; an examination of the situation in seats the party was defending against the Liberal Democrats; a series of polls in individual marginal constituencies; a batch of focus groups in key seats; a tracking poll that monitored daily movements in opinion from January to the election; post-election surveys in the battleground and across the country; and what was, to the best of my knowledge, the biggest national political poll ever conducted in Britain.

It was clear to me that after the election the Party was going to have to face up to some hard facts and I decided at the time I commissioned this polling that following the election I would publish my findings as a contribution to that debate. I have been a life-long Conservative and I passionately believe that Britain deserves a Conservative Party that is once again fit to govern and champion our values of freedom, enterprise and opportunity. I hope this report will contribute to the debate about working out how to get back on that track.

This research established that the Conservatives were doing no better nationally than they had in 2001. But crucially, on the battleground of marginal seats, they were doing little better than they were nationally; certainly there was no evidence that the party was poised for victory across vast tracts of marginal Labour territory. From the outset, the party's list of 164 target seats looked woefully long and threatened to limit rather than maximise the number of Conservative gains at the election.

We learned that while other parties' supporters had a similar profile to Britain as a whole, Conservatives did not. Not surprisingly, their attitudes to contemporary social and cultural issues were often different to those of other people, and their view of the Conservative Party's prospects was wildly divergent from that of the swing voters whose support the Conservatives needed to attract.

Though none of the parties inspired the devoted admiration of the public, the Conservatives were thought less likely than their opponents to care about ordinary people's problems, share the values of voters or deliver what they promised. Majorities in key marginal seats thought the party was out of touch, had failed to learn from its mistakes, cared more about the well-off than have-nots, and did not stand for opportunity for all. And things did not improve with time – voters had a more negative view of the Conservative party at the end of the campaign than they did at the beginning.

The issue that dominated the Conservative campaign, immigration, was never important enough to voters to determine how large numbers of them would cast their votes, however strongly they agreed with the Tory position. Those who thought the Conservatives had the best policy on immigration but trusted Labour more on the economy, supported Labour by a huge margin.

To the extent that the party had identified concerns that people shared, it had failed to articulate solutions, and on the issues that mattered most to people, Labour's lead remained unassailable – or at least, unassailed. People did not feel the Conservatives shared their aspirations or their priorities, and for two thirds of voters the answer to the ubiquitous question "are you thinking what we're thinking?" was "No". Conservative support among the AB social group – the professionals and managers among whom the party has always achieved large majorities when it is winning elections – fell even from the historically low level achieved at the general election of 2001.

It was clear throughout that Tony Blair had lost the trust of a large proportion of voters, but that a sizeable majority would still prefer him as prime minister to Michael Howard. Gordon Brown, meanwhile, was much more popular than either. Combined with voters' conviction that the Labour party had changed forever, this rendered previously mooted Tory warnings of a Brown premiership in the event of a Labour victory harmless or even counterproductive. (The idea that Britain would fear a socialist revolution in the event of Mr Brown entering Number 10 was regarded as merely fanciful).

For pollsters, elections are the acid test. Our research proved depressingly accurate, forecasting almost the exact swing from Labour to the Conservatives in the battleground seats and coming within a percentage point of predicting the level of party support nationally. In fact, at this election all the final published polls were within a few percentage points of the result. The refrain that the polls are not reliable and don't detect what is happening on the ground will no longer wash. Of course individual polls will be wrong from time to time. But overall, the polls were right. They can be believed. And they are worth listening to, not just because they have said clearly, for years, that the Conservatives were not close to power, but because they have explained why.

The Conservative Party's problem is its brand. Conservatives loathe being told this but it is an inescapable fact. Tony Blair once said that he knew the 1992 election was lost when he met a man washing his car. The man said he had always voted Labour in the past, but now that he had started his own business he was going to vote Tory. The Conservative Party, in other words, was associated not just with success but with aspiration, with getting on in life. What is it associated with now? Not with those things, or opportunity for all, or economic competence, or the delivery of good public services, or with looking after the less fortunate, or with life in modern Britain.

To the extent that the voters who rejected us in 2005 associate the Conservative Party with anything at all it is with the past, with policies for the privileged few and with lack of leadership. We cannot hope to win a general election while this is how we are seen by people who should be our supporters.

Many in the party are already turning their minds as to how we can rebuild our support, and the interesting policy agendas that are emerging are to be welcomed. But we must realise that interesting policy agendas are not in themselves sufficient. The brand problem means that the most robust, coherent, principled and attractive Conservative policies will have no impact on the voters who mistrust our motivation and doubt our ability to deliver.

After previous defeats too many Conservatives have been too ready to learn only the lessons that suited them. After the Labour landslide of 1997, for example, a theory did the rounds that not only had a million Tory voters switched to the Referendum Party or UKIP, but millions more had stayed at home. This was not, as it happened, true (over 2 million 1992 Tories switched directly to Labour), but that did not discourage some commentators from declaring that the answer for the Conservative Party was simply to mobilise the heartland.

No such nonsense has yet emerged in the aftermath of May 2005. Yet the temptation is always to make the most of crumbs of comfort. Perhaps one cannot blame Michael Howard for his declaration on 6 May that the Conservative performance at the election represented a huge step forward, but it didn't. Our share of the vote rose by just half of one per cent, and in the Labour-held seats which, by definition, the Conservative Party must win if it is ever to form a government again, our vote share fell. Our candidates ran some exceptional campaigns but there is no hiding from the fact that many of our gains occurred because Labour voters switched to the Liberal Democrats and not because we succeeded in attracting new votes for the Conservatives. We can only win a general election if we can get large numbers of Labour voters to switch to us.

There are many lessons to be learned from the 2005 election, and I hope that the evidence in this study will help us to grasp them.

- We must target our resources more effectively.
- We must campaign hardest on the things that matter most to people, rather than things we hope can be made to matter.
- With a number of other parties competing for votes we must never assume that Labour's unpopularity will translate directly into support for the Conservatives.
- We must realise that appealing to the conservative or even reactionary instincts of people who in reality are never going to support the Conservatives in large numbers prevents us from connecting with our real core vote and means we will never attract the support of minority communities that we should seek to serve too.
- We must recreate that real core vote – the election-winning coalition of professionals, women, and aspirational voters without whom the party risks becoming a rump.

More than anything else we must make sure we understand Britain as it is today, and how Britain sees us. Until we do we will just continue talking to ourselves.