**AMSTERDAM – KTMC**

**9 March 2023**

It would be rash to try to read the minds of the organisers of this conference the distinguished messrs Kessler Topaz Meltzer and Check

and to say why exactly they decided to pick Amsterdam to convoke 120 of the most dynamic global investors

for a weekend of reflection

but if I had to guess I would say it’s nothing to do with the canals and the bicycles and the tulips

and no, I don’t think it’s anything to do with the doophuises and the fabled red light district

what’s the difference between Amsterdam and some of the more reactionary parts of the world

…In Amsterdam you get stoned before you have sex

but I don’t think it is anything to do with that

I think one of the reasons you may have chosen this great and famous city is that like London it incarnates the idea of freedom

Here in Amsterdam the very air is aromatically suffused with the enlightenment notion that provided you do no harm to others you should be able to live your life as you please

say whatever you like, in the beautiful and faultless English that is spoken by the Dutch

(I remember the former Dutch Prime Minister Josef Luns once said that whenever he spoke his own language he felt he was vomiting – an admission that I believe damaged his re-election chances)

Here in Amsterdam you can love whomsoever you like, vote for whomsoever you choose and smoke whatever you want whether it is weed or hemp or nasturtium leaves or a rolled up copy of the Daily Telegraph

and these gorgeous buildings and guildhalls were built on the centuries old presumption of the burghers of Amsterdam that they should be able to buy and sell whatever spice or fur or gem or indeed burger they wanted

without discrimination of any kind against the country or the people that ground that spice or quarried that gem or the way that burger was made

and that is why it is so right and so timely that here in early 2023 we have come to this city of freedom – free speech, free elections, free trade

because all those ideals hang in the balance

and as we speak in these surroundings of ease and luxury

a war is being waged on our European continent and a European country is fighting for its life

against a brutal and criminal invasion

The Ukrainians are fighting for their right to choose the values that I have just described

They are fighting for the right to live in a society where journalists expose corruption without being shot and where the result of an election is not known until polling day where you don’t try to poison your opponent

They are fighting for their right to live in an open, liberal, western-oriented society – and that is why Putin has launched his attack, because he fears that by choosing that path the Ukrainians will inspire the people of Russia to do the same

The Ukrainians are fighting for the freedom of the Georgians and the Moldovans and the Balts and the Poles and everywhere in the periphery of the former soviet union

everywhere that Putin would like to recolonize in a new Russian imperium

The Ukrainians are fighting for freedom against a crazed plan to rebuild the soviet empire and avenge what Putin sees as the humiliation of the 1990s

But my friends they are fighting for even more than that

They are fighting for the very brand that we believe in or at least the product that I believe in

Liberal Capitalist Democracy

Some of you may know that Ukraine’s heroic war leader was at one stage the voice of the duffel-coated bear in Paddington the movie

and you could not have a more vivid contrast between the political culture of Ukraine and the political culture of Russia – led by a paranoid former KGB agent

and in the struggle between the Russian bear and Paddington my money is on Paddington

and I believe that the Ukrainians will win, and I believe that they will counterpunch this year – and take back that land bridge between Mariupol and the Crimea and I believe above all that they must win, and Putin must fail

because the rest of the world is watching with beady and calculating eyes

They are watching in Asia and Africa and Latin America and I am afraid to say that across the world they do not share our automatic assumption that Putin is wrong

and sadly I expect that some of them secretly quite like the idea of being able to invade your neighbour on some spurious pretext or other

and they like the idea that they might be able to change borders by force, and that no one much would intefere

and that is why this year – 2023 – is the hinge of fate, the turning point in the geo-politics of the early 21st century

It is about democracy versus tyranny

It is about autocracy versus openness

and it is about the future of the global economy and our prosperity

because ever since the conflict between Athens and Sparta history teaches us that it is the open liberal democracies that produce the ideas that change the world and which enrich humanity both spiritually and materially

Athens open, democratic, pro-immigration

Sparta closed, oligarchic, racist and militaristic and with a very peculiar pederastic educational system

and yes – I know who supposedly won the Peloponnesian war

but contrast the legacy of those two cultures and societies, between Athens that produced such astonishing breakthroughs in literature and mathematics and philosophy and science and sculpture and Sparta that produced – well, have you ever been to Sparta

Gaze at its formless ruins and contrast them with Athens and the Parthenon marbles

and ask yourself – whose side are you on today? and we must pick sides, and we must get involved

because the tragedy is that our democratic ideals and our values are in retreat around the world and things are in many ways getting worse

70 per cent of the world now lives under a dictatorship of one kind or another

There are now only 42 liberal democracies – the lowest number for 25 years

And if western leaders were a sales force and we were all trying to sell our product – liberal capitalist democracy

LCD -

I would be getting everyone into the room and I would be pointing at the graphs, and I would be saying – guys – what’s happening here?

What’s happening in Asia? What’s happening in sub-Saharan africa

We are being outperformed

We are losing share to unscrupulous rivals who are not hesitating to use bribery

or to offer huge loans that look soft but turn out to be so crippling and enslaving

I would say, why can’t we sell our product instead? It’s called LCD

that’s Liberal Capitalist Democracy not Liquid Crystal Display

and its ingredients are free trade, free markets, free speech, free elections

Taken together those ideas have lifted billions out of poverty and they are responsible for every innovation that is worth having, from the internet to the iphone to the ice cream mars bar

It’s the free and open societies that make the drugs that cure cancer and the ev batteries that will take your car 1000 miles and it’s the free and open societies that produce the music that is the soundtrack of the world and the movies that provide the cultural reference points for the entire human race

And so I would say to my sales force, come on folks – let’s have some self-belief,

and let’s not accidentally damage our own brand

because we have to admit that sometimes we don’t seem 100 per cent confident in these ideas

How can we say that we are believers in free speech when twitter bans a president of the US

I am sorry – no matter how much he may drive people wild, we have to face the fact that if you do something like that you diminish your ability to lecture other countries about silencing the opposition

and when a UK publisher becomes so woke that they try to re-write Roald Dahl and the famous song of the oompa loompas about Augustus gloop

the fat kid in Charlie and the chocolate factory

I will sing it for you

Augustus Gloop, Augustus Gloop the great big greedy nincompoop

There – it wasn’t that bad was it

You are not going to make anyone feel better about their weight by banning the use of the word fat

How can we say that we are believers in free trade when we place more and more restrictions on how and where and under what conditions people can do business with one another

The general agreement on tariffs and trade was founded on the principle of non-discrimination

That was how the burghers of Amsterdam got so rich. They didn’t care where their burger came from

They didn’t care whether it came from England or Italy or Poland

They didn’t care about the carbon emissions involved or the fertiliser used or whether the cattle were contented pasture-reared or whether cattle-farmers concerned were entitled to paternity leave

and of course these desiderata may all be laudable but we have to accept that they are also contributing to arteriosclerosis in the lifeblood of the global economy

Liberal values are everywhere in conflict with what used to be called liberalism

It is no wonder that we have not had a successful Gatt round since the Uruguay Round in the early 1990s, which was the prelude to that long period of growth of almost two decades

No wonder free trade is stuttering

Then add all the extra anxieties of the last few years – the new paranoia about China, sometimes reasonable sometimes not

Yes it makes sense to be cautious about Chinese involvement in your critical national infrastructure, as we are in the UK about Chinese nuclear energy and Chinese dominance of our 5G networks

but in my view there is no sense whatever in trying to sequester or isolate our economies from China altogether,

or in having a new cold war mentality

and I worry about the unscrambling and the decoupling that seems to be going on

and all of this – including the need to put Russia in the deep freeze – has come at the same time as covid

the biggest blow to globalisation since Yersinia pestis came from the east in the 14th century

It doesn’t matter how it happened – and I don’t care whether it was a rat or a bat or pangolin or a lab

Covid appeared to be a kind of divine retribution for the blessings of globalisation and the pandemic has been a moral and political disaster for humanity

For two long years we were reluctant to travel or even to shake hands in the act that has from time immemorial been essential to doing a deal

For democratic politicians it was an appalling shock to realise that though the disease was global the solutions had to be national

and it was partly because we all had that searing experience of a lack of PPE or medicines

and because we experienced the fury of our electorates

that we are now seeing the recrudescence of some of the terrible ideas of the 1930s – autarky, national self-sufficiency, juche, whatever you want to call it

Yes it may make sense to create dependable and trusted international supply chains

but it makes no sense at all to start ignoring Adam Smith and David Ricardo and to continue with this balkanisation of the world economy

We are the Athenians not the Spartans

We believe in being open not closed

Let us believe in free trade, free speech, free elections and free markets because they are the systems that actually deliver

If you doubt me look again at the events of the last couple of years

Imagine if history had taken a different course in the 1990s, and Russian society had been more like Poland or indeed Ukraine

Would Putin have launched this appalling war, if he had a genuinely free press on his case, if he had the BBC beating him up, or if he had backbenchers to tell him where to get off

To all those who say you can have capitalism without democracy, or that you can have innovation without democracy, let me offer the following withering retort

Who here has had a vaccine? Who had sputnik?

It is a striking fact that it was the open free market capitalist democracies that produced the vaccines that actually worked

We should not be shy about saying this. I said it in a speech in Singapore and the organiser of the conference actually apologised to the audience the following day

I say let us uninhibitedly extol the virtues of openness

Why is the UK the home to 4 of the world’s top 10 universities?

why do we have such a ferment of brilliant minds in our country

a fizzing cyclotron of talent, that we attract more tech investment than France and Germany and Israel combined

fin tech med tech ed tech bio tech nano tech Aztec mixtec Toltec we have more tech than 15th century mexico

it’s because people can come and live their lives as they please

and the reason we in the west have such a record for innovation is that in the end you get more breakthroughs if you are thinking about shareholder value than if you are thinking about pleasing the politburo

We need to have the courage to say all this and above all the world needs to see, with their own eyes, that we believe in freedom and that we are going to help freedom win

That is why it is so important that we give the Ukrainians what they need, and give it now

I am proud that the UK helped to lead the way in sending lethal weapons

We need to send more

We need to learn the lesson of the last year – that first we hesitate

we worry about escalation

and our officials come to us and say – should we really be sending them anti-tank missiles, Prime Minister, or should we really be sending them Multiple Launch Rocket Systems, or should we really be sending them tanks

Won’t it just provoke Putin? they say

and after a few months we realise what a fatuous argument that is, and that Putin’s onslaught began without the slightest provocation

and he does not need us to provoke him to continue to murder thousands of innocent people, to bomb hospitals and schools and kindergartens

do you know how many medical facilities have been destroyed in Ukraine in the last few months? 4300

and the answer is not to worry about provoking Putin – the answer is to give the Ukrainians what they need because we always do sooner or later

and if that is the choice – sooner or later – then let’s give those weapons sooner because now is the time that they need them

and at Kiev and Kherson and Kharkiv they have shown that they can and will win

and when they win, it will be a signal for the world – after decades in which we have been pushed around - that we believe that freedom and democracy are worth defending

My friends – we have the greatest product

- LCD : with its traditional ingredients - free trade, free speech, free markets, free elections

Let’s stop the cringe and show we actually believe in ourselves

Let’s find that sense of mission that ended the cold war

Let’s settle the new security architecture of Europe and look forward to a new and better relationship with a post-Putin Russia, whenever that happens

Let’s find a new and stable balance in our relations with China

based on cold-eyed realism but not panic or paranoia

and let us go forth from this conference with renewed hope into this great and ancient entrepot city of Amsterdam

because it is with freedom and democracy and openness and trade that we will revive the global economy and break down barriers

I happen to believe that our model is also morally right and the best way for to unleash the potential of the human spirit

Go out there and enjoy the freedoms of our society in whatever way you choose

and invest responsibly and sustainably in the product that will win in the long run

invest in LCD

it’s totally mind-expanding and the best thing for us and them

invest in Liberal Capitalist Democracy

this woefully underappreciated stock – because it is going to rise again

and let’s help the Ukrainians to win this year

slava Ukraini and have a great conference