



## **Inaugural Margaret Thatcher Lecture**

### **Free Markets and Free Minds The Security of Opportunity**

**Rupert Murdoch  
21 October 2010**

This evening we have come here to celebrate a great leader who championed a profound idea. That idea was freedom. At home and abroad, she expanded the boundaries of freedom –and sculpted a legacy that spans generations and crosses party lines.

In the last few days, she has felt the affection of her nation. We wish her a speedy recovery. And tonight we dedicate this new lecture series in her honour.

So I ask you to join me in a toast: To a woman whose name has become a synonym for liberty and strength ... Margaret Thatcher.

Let me declare my vested interests up front. This is a country where I spent my university years ...where I learned the craft of journalism ... where two of my children were born – and where I very much feel at home.

This evening, I speak as more than an admirer of Margaret Thatcher. I speak as a person grateful for the opportunities this nation has given me – and the opportunities she has created for every other individual in Great Britain.

I would like to thank my host, Lord Saatchi – a walking and talking advertisement for commercial and political success. The shogun of the slogan has always managed to find the right form of words and to conjure images to convey important ideas.

Labour wasn't working in 1979, but Lord Saatchi is always working on behalf of his party and his country. Let us show him our sincere appreciation.



Today the ideals of individual freedom and responsibility find steadfast advocates in the Centre for Policy Studies. You were founded by the then-Mrs. Thatcher and her loyal friend, Keith Joseph, back in the early 1970s.

When Keith Joseph began his work, he described it as an effort to convert the Tory party to economic liberty. Let me say: You have more missionary work ahead.

My words tonight will be flavoured by those of Margaret Thatcher herself. We sometimes forget how pithy she is – how wise her thoughts, and how pertinent they remain even though she left office long ago.

And we cannot forget that she is no ideologue, but a person of pragmatism, an optimist whose optimism is founded in her faith in the individual.

Hers is a generous spirit, a spirit based in an appreciation of personal potential and not of an impersonal ideology. As she said:

“With all due respect to the drafters of the American Declaration of Independence, all men and women are not created equal, at least in regard to their characters, abilities and aptitudes.”

It was that appreciation of individual aptitude and ability that made her so intolerant of the strictures of socialism. How quickly too many people have forgotten that she has not only changed Britain, but, along with Ronald Reagan, changed the world, much, much for the better.

How many millions of lives have been improved by the lifting of the Iron Curtain and the collapse of the Berlin Wall? Yet she is modest about her role. Here she is expressing her concern that President Reagan has not received due credit.

She said:

“The role of Ronald Reagan had been deliberately diminished; the role of the Europeans, who, with the exception of Helmut Kohl, were often keen to undermine America when it mattered, had been sanitized; and the role of Mr Gorbachev, who had failed spectacularly in his declared objective of saving communism, had been absurdly misunderstood.”

All of us in this room are united by a determination that Britain take the steps necessary to ensure the nation's free and prosperous future. That is the challenge for politicians of all pedigrees and all parties.

The question they face is this: Who will show great leadership in a time of turmoil, a time when opportunity will be expanded or limited not only for this generation, but for the next? That is why Margaret Thatcher matters.



In a free society, you do not succeed just by having the right ideas. You succeed by having the confidence to defend those ideas when they are under assault – and to see them through when the experts are counseling compromise.

Margaret Thatcher described the process this way: “I’m extraordinarily patient, provided I get my own way in the end.”

So tonight I will speak broadly about three themes.

- First, the kind of society that Mrs. Thatcher wanted for Britain – and the virtues required to sustain it.
- Second, why those virtues resonate so deeply with people around the world.
- Finally, I would like to describe some of the challenges that face this country today.

Let’s start with our society. The woman who formed that Conservative government in 1979 did not start with an economic agenda.

To the contrary, Margaret Thatcher was driven by a belief in the kind of society she conceived Britain to be.

Her Britain is a society of citizens who are upright, self-sufficient, energetic, adventurous, independent-minded, loyal to friends, and robust against enemies.

Shirley Letwin called these characteristics the “vigorous virtues.”

Much of the Tory establishment never understood this – which meant they never understood their own leader. For these people, the dynamism she championed was a threat to the established order.

The small, loyal Thatcher team was prepared to confront its own party to give more people greater opportunity.

Critics sniffed snootily at “the shopkeepers’ daughter from Grantham.”

But the joke was on them.

History has shown that the lessons she learned at her father’s corner shop would serve her countrymen very well indeed.

Those lessons also made for clear and compelling rhetoric.



For example: “No one would remember the Good Samaritan if he’d only had good intentions – he had money as well.”

It was not just a matter of telling words. Margaret Thatcher loomed above all her rivals for another reason:

She knew from her own upbringing that talent was not limited to class.

She knew that for the talented to triumph – indeed, the whole nation – constraints on the ambitions of the working class had to be removed.

It wasn’t a matter of furnishing the underprivileged with privilege, but of providing them with opportunity.

No one here needs a lecture about what happened after the historic 1979 election: inflation tamed ... crippling strikes ended ... doors to entrepreneurs opened ... and so on.

All these are formidable economic achievements. But they would never have been possible had Mrs. Thatcher been driven simply by economic goals.

As her keenest biographers have recognized, her vision of the free society is moral and virtuous. And she has that admirable quality so rare in politicians – a willingness to court unpopularity.

As she said, “If you just set out to be liked, you would be prepared to compromise on anything at any time, and you would achieve nothing.”

She understood that a free society cannot thrive without its risk-takers and creative optimists and those willing to challenge conventional wisdom. And she recognized that the establishment can – and often should be – challenged.

She also understood that the establishment wasn’t just the landed gentry, but institutions hungry for power at the expense of ordinary citizens.

The vigorous virtues she championed have been a guide for me in my life and in my business. It’s fair to say that we have worked hard and taken huge risks along the way.

Many of the defining moments of my career have been in Britain. This includes fundamentally changing the newspaper industry in the 1980s – which has helped give us all the uniquely vigorous press we enjoy today.

It also includes creating modern digital television.



At Sky we built satellite television service from the ground up after others had abandoned hope and investment. At the time, one of my lordly critics suggested that this new enterprise was worse for Britain than the blitz.

Nevertheless, we persevered – and the result is that viewers across the country now enjoy great choice, and we have created tens of thousands of new jobs.

Risk is the crucial ingredient in free enterprise. A free society needs hard-working individuals, who want to make their way in the world, and help themselves and their families and their society.

Unfortunately, as tax rates are rising in many countries, the incentive to improve is being diminished – and a culture of dependency is encouraged.

Self-serving states are making themselves ever larger, sucking the air of opportunity out of the room.

We all have a role in fashioning a society that is driven by aspiration and not crippled by calcification.

Let's admit that many of us in this hall are privileged. As the privileged, we should be relentless in our criticism of those who think – for reasons of birth, or wealth, or fame – that they are better than others.

Our new world is one of modern mass communication, phone and text, without limit. Democracy will be from the bottom up, not from the top down.

Even so, a free society requires an independent press: turbulent ... enquiring ... bustling ... and free.

That's why our journalism is hard-driving and questioning of authority. And so are our journalists. Often, I have cause to celebrate editorial endeavour. Occasionally, I have had cause for regret.

Let me be clear: We will vigorously pursue the truth – and we will not tolerate wrongdoing.

Now, it would certainly serve the interests of the powerful if professional journalists were muted – or replaced as navigators in our society by bloggers and bloviators.

Bloggers can have a social role – but that role is very different to that of the professional seeking to uncover facts, however uncomfortable.

A free society also requires a government with backbone.

Like Margaret Thatcher, I make no apologies for my concerns about the growth of unaccountable bureaucracies – and the burdens they impose on hard-working people.



Those inspired by her leadership must continue to champion government that is accountable to its citizens.

The new prime minister has come to office inheriting a daunting deficit.

I am encouraged by his response.

Many rightly applaud the coalition government for maintaining a tough fiscal line. We must be clear why this toughness is necessary.

It is not a numbers game. It is about livelihoods, and eventually rebuilding opportunities and greatness.

Strong medicine is bitter and difficult to swallow. But unless you stay the political course, you will be neither robust nor popular.

So, like the lady, the coalition must not be for turning.

The financial crisis was a shock to the system. While the effects linger, it must not be used as an excuse by governments to roll back economic freedom.

As Margaret Thatcher long ago foresaw:

“Adam Smith’s ‘invisible hand’ is not above sudden, disturbing movements. Since its inception, capitalism has known slumps and recessions, bubble and froth; no one has yet dis-invented the business cycle, and probably no one will; and what Schumpeter famously called the ‘gales of creative destruction’ still roar mightily from time to time.”

In an anxious time, people naturally worry about security. When people have grown accustomed to looking to the government – for their housing, for their health care, for their retirement – the idea of looking out for themselves can seem frightening.

In the short term, a government that is generous with other people’s money – and prints more of its own – dangles the promise of a comfortable life, where all the essentials are taken care of. We are again learning, the hard way, that this is a false security.

The only real security is the security of opportunity.

That is where we must aid the dispossessed.



That is where we must raise the horizons of the young man who is living on a housing estate and has left school prematurely.

That is where we must provide hope for the young migrant woman in Luton, whose life choices are being limited by misogyny.

That is where we must grant a real second chance for the prisoner who seeks rehabilitation and not an endless cycle of incarceration.

That is true tolerance. But if a government hoards resources, the resourceful will not prosper.

The good news is that Britain is not in quite the straits that it was in 1979.

The bad news is that the cost of getting it wrong has risen exponentially. Ask the people of Greece and Ireland.

That's largely because in today's world, there are fewer places to hide. In the 1970s, countries such as India and China were sleeping giants. Today they are economic dynamos.

Their leaders know they do not have the luxury of complacency ... their citizens know that their children need a good education to succeed ... and their children are already living lives that far exceed their parents' dreams.

And guess what? Other great countries – in Africa, in Latin America, in Asia – are coming to life in the same way. And they are coming to life, in part, because they are becoming more Thatcherite– by which I mean they have faith in their people.

In burgeoning Brazil, for example, the shanty towns known as favelas were recently too dangerous even for the police to enter. Now they are being renovated, thanks to an idea not unfamiliar to the people in this hall.

That idea is this: Let the local people buy their homes ... give them a pride in their place ... and watch that place blossom.

President Lula of Brazil may have started life as a socialist, but now he is a Thatcherite.

Without pride, people will not prosper. And without a bigger cake, the portions will get smaller, and the vulnerable will suffer most.

Today, baking a bigger cake requires us to look beyond these borders – beyond even just Europe – for opportunities.



Let's put this in perspective. The population of the United Kingdom is 61 million people. The population of the European Union is 492 million.

That may sound imposing. In fact, in a world of nearly 7 billion people, this means that 99 percent of our potential customers live outside Britain's borders. If we are to prosper, our people and companies have to be bold enough to compete in global markets.

Having spent 20 years building a business in India, I am impressed by the confidence and competence of that country's leaders.

They know all about the vigorous virtues. And their increasing emphasis on the basics – merit and education – means that more Indians will be leading our global companies.

That must be welcomed by all.

But British parents have a right to demand that the government adopts policies that ensure sure their children have the same opportunities – and the tools they need to compete.

What are these tools? They begin with a sound education. In the last decades, I'm afraid, most of the English-speaking world has spent more on education with worse and worse results.

Business leaders across this country tell me that large numbers of people who apply to their firms lack the fundamental skills necessary to progress in the workplace.

We must move from a system that tries to make up for deficiencies to one that really teaches. That is why so many of my company's donations are devoted to the cause of education – including the adoption of new academies here in London.

If children in the poorest parts of the world can learn how to read and write – as well as do maths and science in schools with dirt floors and tattered textbooks – there is no excuse for the way British children are being failed by well-resourced schools.

We must not stifle the growth of the brightest.

As Margaret Thatcher exhorted: "Let our children grow tall, and some taller than others if they have it in them to do so."

In other words, we must celebrate a culture of success. The rise to prominence is too often accompanied by a surge in cynicism by the traditional elites.

I am something of a parvenu, but we should welcome the iconoclastic and the unconventional. And we shouldn't curb their enthusiasm or energy.



That is what competition is all about. Yet when the upstart is too successful, somehow the old interests surface, and restrictions on growth are proposed or imposed.

That's an issue for my company. More important, it's an issue for our broader society.

These are the small thinkers who believe their job is to cut the cake up rather than make it bigger.

In my own industry, for example, digital technology is offering a chance for British companies to make their mark here and across the world.

When *The Times* was founded in 1785, its influence was confined to a handful of important people in this city. Today, its content echoes around the world every day. And it has digital competitors who were not even conceived a decade ago.

In the past too, television programmes were confined to a single screen. Now they can be watched whenever you want and wherever you are – whether on a mobile phone, a tablet or a computer. For all the change, we are still at the early stages of this revolution.

It's not just media. This is an exciting period in every sector. And our competitive passions should be stirred by the sense of challenge and opportunity.

In short, Britain needs companies robust enough to compete in this global market – whether in finance or pharmaceuticals, transport or telecommunications, retail or entertainment. And we need to attract the brightest talent, regardless of background and ethnicity.

In other words, Britain should be a magnet for the best students and best workers from around the world.

What might a successful Britain look like in this new century?

A government that spends modestly, because it leaves its people free to make their own decisions for themselves ...

Citizens who look out at the world with confidence, because they have grown up accustomed to taking responsibility for themselves, and are allergic to the culture of dependency....

Corporate and technological sectors that thrive on change, and use the freedom of the market to innovate and grow.



Above all, a successful Britain would have a society that cherishes opportunity and creativity – making opportunity available to all, and believing that there is creativity in all, where individuals do not feel guilty of wealth or being exceptional, but work hard and exercise humility.

Let me conclude by returning to the woman who has brought us all here tonight. She is a leader who succeeded for many reasons.

She was thought to be an Iron Lady – and yet her love of life and of people are unalloyed.

She is deeply feeling for her country, her people and for those around her, and yet she has never been lachrymose.

As she once put it: "To wear your heart on your sleeve isn't a very good plan; you should wear it inside, where it functions best."

Her philosophy is that of the ardent pragmatist – a pragmatist in the true sense, someone who believes in the basic decency and innate ability of people. She has a firm belief in freedom and of the responsibilities incumbent with that freedom.

Over the years, the word "Thatcherite" has been tossed around carelessly. Sometimes it is even used as an epithet.

For all of us here, however, the word Thatcherite is a source of inspiration.

This good woman is in the thoughts and prayers of all of us here tonight. And it is now my privilege to close by honouring a leader who has not only inspired the word but has inspired the world, Margaret Thatcher.

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