

‘Cometh the hour, cometh the man’

By Dr Steven McCabe, Associate Professor, Institute of Design and Economic Acceleration (IDEA) and Senior Fellow, Centre for Brexit Studies, Birmingham City University

In the aftermath of his December election victory when Prime Minister Boris Johnson was enjoying the pleasure of a free luxury Caribbean holiday with partner Carrie Symonds, soon to be his latest wife and mother of his next child, said to be worth £15,000, he could have been forgiven for luxuriating in the belief that all his dreams had come true.

Photos showed Johnson relaxing in the Caribbean sun and suggested a man at ease. He'd proved his detractors wrong. They'd claimed he was merely a shallow showman. His periods as Mayor of London and cabinet minister demonstrated a lack of ability to understand detail and apply himself to complex tasks they argued.

None of the criticism made any difference.

Johnson, having achieved his ambition in becoming PM, and securing a majority even wild optimists had not contemplated, could look forward to being in control of events in a way that had defied his two predecessors May and David Cameron.

What could go wrong?

Almost three months on from the general election on 12th December, Johnson's control over his party is, though still relatively secure, subject to question in a way that suggests his critics may, after all, be proved correct.

Johnson's lost a Chancellor who, only four weeks before delivering his first and, significantly, post-election budget that was going to herald a new era of investment in regions outside of London and the south east, resigned rather than follow an instruction to sack his political advisors.

The combative approach, favoured by Johnson's Svengali chief political advisor Dominic Cummings, believed to have caused Sajid

Javid to resign is also at the heart of bullying allegations made against Home Secretary Priti Patel by senior civil servant at the Home Office Philip Rutnam. In his resignation statement, Rutnam cited numerous clashes with her and, for good measure, claimed to have been the target of “a vicious and orchestrated briefing campaign”.

Such a campaign is widely assumed to be part of Number 10’s strategy of destabilising those in the Civil Service considered unenthusiastic in adopting the radical agenda Johnson and his advisors claim December’s election gives them a mandate to deliver.

In the immediate aftermath of the election, especially having surprisingly won so many seats from Labour, the view was that Johnson was a man in a hurry to create change and that he was more than happy to, as the adage goes, ‘break eggs in preparing the omelette’.

However, as Johnson is discovering, winning the election by constantly repeating the promise to “get Brexit done” may have been the easy part. Notwithstanding his internal political difficulties, and as well as being condemned for not dealing with the effects of the torrential rain that has led to flooding and misery for thousands affected, Johnson is now confronted with the impact of the coronavirus crisis.

Coronavirus, COVID-19 disease, and which causes severe acute respiratory illness, is believed to have originated in a ‘wet market’ in Wuhan in China. It is similar to other viruses that jump from animals to humans; such as SARS (Severe acute respiratory syndrome) and MERS (Middle East respiratory syndrome) both of which have been experienced in the last 20 years. Coronavirus has, according to many experts, including WHO, the World Health Organisation, the potential to become a worldwide pandemic.

Coronavirus, which was starting to take hold in China around the end of last year has started to spread throughout the world and those infected have been being identified in more than 60 countries, it is the increasing death toll that is causing alarm. Though the overwhelming majority of those identified as being affected by coronavirus so far (than 89,000 people globally) are in China, over 80,000, and though the vast majority appear to have recovered, some 2,943 have died.

This is a mortality rate of 3.67%.

And though the death toll outside in China is currently 125, the fear is that coronavirus has the potential to cause death among the world's population not experienced since the second world war. Even with using a very conservative mortality rate of 1%, in the worst-case scenario of everyone being infected, and with a world population approaching 7.77 billion, there would be 78 million deaths.

Such an outcome is why all governments are contemplating interventions that would normally be considered utterly draconian. The statement by Johnson on Tuesday that up to a fifth of the workforce need to take sick-leave at the peak of a coronavirus epidemic as well as bringing in the military to support the emergency services and police seems entirely sensible.

Nonetheless, there would be severe repercussions for all businesses and organisations if a fifth of workers were not available. This would create extreme difficulties in even delivering essential services and ensuring basic foods were available to the public.

There are issues of how many UK businesses that rely on effective supply-chains from abroad will cope? Additionally, there is the question of those who work in the so called 'gig economy', and whose numbers have increased dramatically in recent years. If, because of coronavirus, they are unable to work and have no income, how can they survive?

Naturally, Johnson when he was reflecting on his success in the Caribbean over the New Year could not have known that coronavirus was likely to emerge as a threat. He, like every other leader, are having to react to a crisis that has developed rapidly, and which, as many speculate, the impact of which could be as profound as those experienced as a result of the GFC of 2008.

This, of course, is what elect our leaders to do; to provide assurance and policies to guide us through any crisis.

However, what Johnson will be discovering is that any budget planning based on assumptions of the stability of 'normal times', will have subject to intense scrutiny. Having lost the person most

intimately involved in such preparations to be replaced by the relatively inexperienced Rushi Sunak will not help. Nor will having a Home Secretary whose position, because of increasing attention about her behaviour, appears increasingly untenable.

As many are warning the government, and Chancellor Sunak in particular, any thoughts that there should be a massive spending splurge should be avoided. Paul Johnson, Director at the Institute for Financial Studies contends, unless the Government abandons fiscal target that were included in its election manifesto, the budget deficit will rise significantly requiring tax rises, quite the opposite of what was promised by Johnson when he ran for leadership of his party, or a return to the spending cuts that caused austerity.

Coronavirus which has reduced the value of global markets by around 10% (\$5 trillion) and, as is anticipated, will continue to cause panic for months to come with attendant problems for businesses will not assist. Paul Johnson at the IFS is among many pointing out that reduced business activity will hit the tax takes that were being anticipated in a post-Brexit world in which new markets open up, especially with America.

Monday's publication of a document by the Department for International Trade that the British economy would benefit from an "ambitious and comprehensive" trade deal with America has caused many to question the wisdom of wanting to play 'hardball' with the EU in free trade negotiations. That this document admits that under such a deal, at most, Britain's Gross Domestic Product would only be 0.16% of larger by the middle of the next decade underlines what increasingly seems like a form of economic *harikari*.

Even the government's own estimates suggest that the British economy could be 7.6% smaller than it currently is if there is no agreement with the EU on trade; what is now being referred to as an Australia-style deal. The Canada-style deal that Johnson has long been in favour of would result in the economy being 4.9% smaller.

Richard Partington in an article in [The Guardian](#) 'US-UK trade deal: PM eyes three-course meal, but may end up with packet of crisps' explains that Sir Martin Donnelly who, until leaving the Civil Service in March 2017, was Permanent Secretary of the Department for

International Trade under Secretary of State Liam Fox, considered the prospects for British trade outside the EU and believed that “such a plan is akin to swapping a three-course meal for a packet of crisps.”

Johnson might, amongst all the other pressures he has to deal with, if contemplating completely breaking free from the EU at the end of the year is wise? Is being isolationist going to assist in improving prospects for the British economy and making people feel wealthier?

Nevertheless, some will argue that coronavirus' lethal progress has been assisted by the very globalisation that has allowed goods and people to move so freely around the world and, in the case of the former, through the seamless supply-chains that operate, enabled goods to be produced cheaper than would have been possible with domestic equivalents.

Detractors of globalisation may believe that the current crisis demonstrates the fragility and danger of the current system that allows us to travel incredible distances in search of sun and new experiences as well as allowing 'just-in-time' manufacturing and supply of foodstuffs to supermarkets.

However, the sense of disillusionment that appears to be driving isolation and protectionism will come at a cost and, in reality, it's simply ludicrous to believe that industries that have either disappeared in the face of being undercut by foreign competitors with lower wage costs will be re-established anytime soon; if ever.

There will undoubtedly be changes in the world economic order. Great empires including those under the Roman Emperors and Chinese Dynasties rose and declined due to a variety of factors including economic and political crises.

But the world keeps spinning and people continue to demand a better future for them and their children.

Brexit and ensuring a 'good' outcome to the free trade negotiations with the EU, as dealing with coronavirus and political difficulties are the dilemmas that Boris Johnson must confront. Perhaps ending this country's reliance on other countries through globalisation may eventually prove to be virtuous though this must surely be very much

a long-term objective? What's important to the majority are short-term needs and surviving coronavirus.

For all our sakes it is to be hoped Johnson rises to the challenge and is eventually remembered with the respect given to his hero, about whom he wrote a pretty risible biography, Winston Churchill.

Failure is too dreadful to consider and would come at an extremely high cost. Now, more than ever, Johnson needs effective ministers, a supportive civil service that is not being consistently demoralised and a fully functioning NHS.

All of this takes leadership, clear thinking, emergency budgeting and as few unnecessary distractions as possible.

For PM Johnson, coronavirus rather than Brexit may be a case of 'Cometh the hour, cometh the man'.

Dr. Steven McCabe is co-editor of [*Brexit and Northern Ireland, Bordering on Confusion*](#) (published by Bite-Sized Books, ISBN-13:978-1694447807)