

The Benefit in Everyone Becoming BOBs and TEDs

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BOB and TED are acronyms for 'Bored of Brexit' and 'Tired of Endless Dialogue', the second being a bit of a cheat. There is a definite sense that Brexit, and the endless cycle of furious debate about Brexit that characterised last year in Westminster, has left people weary.

There can be little doubt that December's general election was about Brexit. The key question voters were asked to consider was which party could be trusted to ensure that outcome of the referendum back in June 2016 would be implemented. All other matters became secondary to the Conservative promise that they'd "Get Brexit Done".

Labour's ambiguous commitments to renegotiate a withdrawal deal with Europe that would then be put to the people through another referendum was rejected. The clear import for all leaders going into the next election is that whatever else you do, offer a clear message and, more critically, offer one that is based on optimism.

Being seen as being anything less than 'full-throated' in stating your belief that the country will become great is likely to be rejected. In that sense, Johnson's campaign was straight from the Trump playbook.

Labour's ability to be an effective opposition is completely stymied by the fact that many of the seats it lost went to the Tories who wielded Brexit like a sledgehammer. That Brexit would be good was used not just against the Labour Party, but those Conservatives who'd been less than patriotic because of their unwillingness to embrace it. Such MPs became unwilling enemies of the people.

Johnson's dilemma is in how he can turn his parliamentary advantage into policies that will create discernible benefit to all citizens. This is particularly the case for those considered to have been more likely to vote Labour in northern constituencies who 'lent' their votes to his

party in the belief that the Conservatives, by implementing Brexit, would improve their lives.

Disgruntlement among such voters, because of their sense of being forgotten or 'left behind' after decades of decline, is cited as the reason for the upsurge in support for those contending that the UK's membership of the EU had garnered no benefit for them. Indeed, advocates of leaving the EU argued, due to immigration from other members, quite the contrary.

Cameron and his Chancellor, George Osborne, were obsessed with solving UK debt. This was created because of the preceding government's need to institute unprecedented emergency measures to stabilise the economy and banks in the immediate aftermath of the Global Financial Crisis.

Austerity measures implemented by the Conservative government that became possible by coalition with the Lib Dem Party, created social problems that, some ten years on, are disgraceful in an advanced and wealthy country that is the UK:

- Food bank use up 2,400%
- Homelessness up 1,000%
- 35% of children living in poverty
- National debt has risen from £850billion to £2.25tn
- The deficit has doubled in 2019 to £43bn
- GDP growth has declined to well below its average since the second world war of 2.45%
- Major sectors of industry including manufacturing, construction and the largest, services, in recession
- OECD calculates that 3 million 'hidden unemployed' meaning the real rate is effectively 13%
- Creation of 1.3m that are temporary, self-employed and zero hours only
- 75% of households have less than £10,000 savings
- 80% of households can only survive three months without any income from employment

- Nearly half the working population (17m) have an unauthorised overdraft
- Household debt has reached a new peak, despite emergency base rates
- Council home building down 90%
- 200,000 social homes lost since 2010
- 100,000 increase in the council home waiting list since 2010

As this list shows, when Johnson and his cabinet claim that leaving the EU will lead to a bright new future, they do so in the knowledge that the position from which they start is not good. There is much to be done even to ameliorate the worst consequences of austerity. Johnson may claim that, because he was elected Mayor of London, he wasn't an MP when David Cameron's coalition government implemented austerity.

What we do know, is that having been elected in the 2015 election, he served as Foreign Secretary from 2016 after Theresa May became PM following David Cameron's resignation, until July 2018.

Significantly, he quit this post in protest over May's 'Chequers Plan'. Though May's desire was to leave the EU and, for the sake of jobs and the economy, to maintain as close a relationship with the EU as possible. Johnson accused her of being too willing acquiesce to their wishes.

After the UK leaves the EU at the end of this month, the most daunting issue is negotiating a free trade deal from 1st January 2021. Failure to do so will result in a 'no-deal' that will be devastating for the British economy and, potentially, result in significant job losses in the parts of the country that Johnson and his government want to invest in to restore economic prospects.

Investment in such areas through infrastructure, "up to £100 bn", will be at the heart of chancellor Sajid Javid's budget on March 11th. Javid has proudly announced that this such spending will enable the UK to, "take advantage of the huge opportunities of Brexit."

Many are sceptical.

Economics commentator Larry Elliott in his Guardian column asserts there are no easy solutions. The notion that simply spending large amounts of money not guaranteed to work. Citing Stian Westlake, director of Nesta, the UK's innovation foundation, Elliott asserts that the current Conservative line that spending a fortune on infrastructure is going to magically cure the decades old economic structural problems is mistaken.

As is well known, spending on infrastructure, skills development as well as innovation and research by the UK has lagged well behind other European countries. Combined with the obsession on financial services in preference to manufacturing commenced under Thatcher in the 1980s, it's no wonder that there is pronounced inequality between the south-east and north.

As Elliott reckons, "austerity has merely provided a cyclical twist to a deeper structural trend, exposing problems but not causing them. Likewise, an end to austerity does not mean the problems magically go away."

This theme was also addressed by David Smith in his economics column in this weekend's Sunday Times, 'Yes, invest in the regions, but don't expect miracles'. Because of a combination of factors, including the slowdown in the economy caused by the decision to leave the EU, resulting in a loss of GDP of, cumulatively by the end of this year, some £200 bn, Smith points out that the challenge of achieving revival in UK regions simply based on investment will be more demanding than in "normal circumstances".

Smith takes issue with the logic that leaving the EU will create the sort of opportunities that will be possible being propounded by Johnson and his cabinet. Rather, Smith claims, the government's own stated approach to achieving the departure from the EU through a free trade agreement is likely to, compared to having remained in the EU, "greatest damage to the very regions that the government is committed to levelling up".

The level of spending that being proposed by Javid will, according to Smith, at best, "a case of running to stand still."

Many have never been convinced by the wisdom of leaving the EU. A number of studies, including by the government, shows that regions depending on close relationships to Europe through the seamless supply-chains possible through aligned regulations, will be those likely to suffer the greatest economic hit.

These areas precisely the ones in which there were majorities to leave the EU. They are areas in which the Conservatives achieved their majority through taking votes from disillusioned Labour voters.

Assuming normal cycles are correct, a general worldwide slowdown is highly likely. Worsening economic prospects are likely in this country that will, regardless of our departure from the EU, result in consequences including increased uncertainty, job losses and a reduced revenue to the exchequer from taxes.

However, the government maintains that a bright future for everyone will be experienced including, significantly in regions suffering from decades of decline and deprivation.

Johnson and his cabinet must be delighted that the vast majority of the population are believed to be 'BOBs' and 'TEDs'. Enfeebled opposition means that the Conservatives are less likely to be held to account or scrutinised in achieving success on the rash promises they continue to make.

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