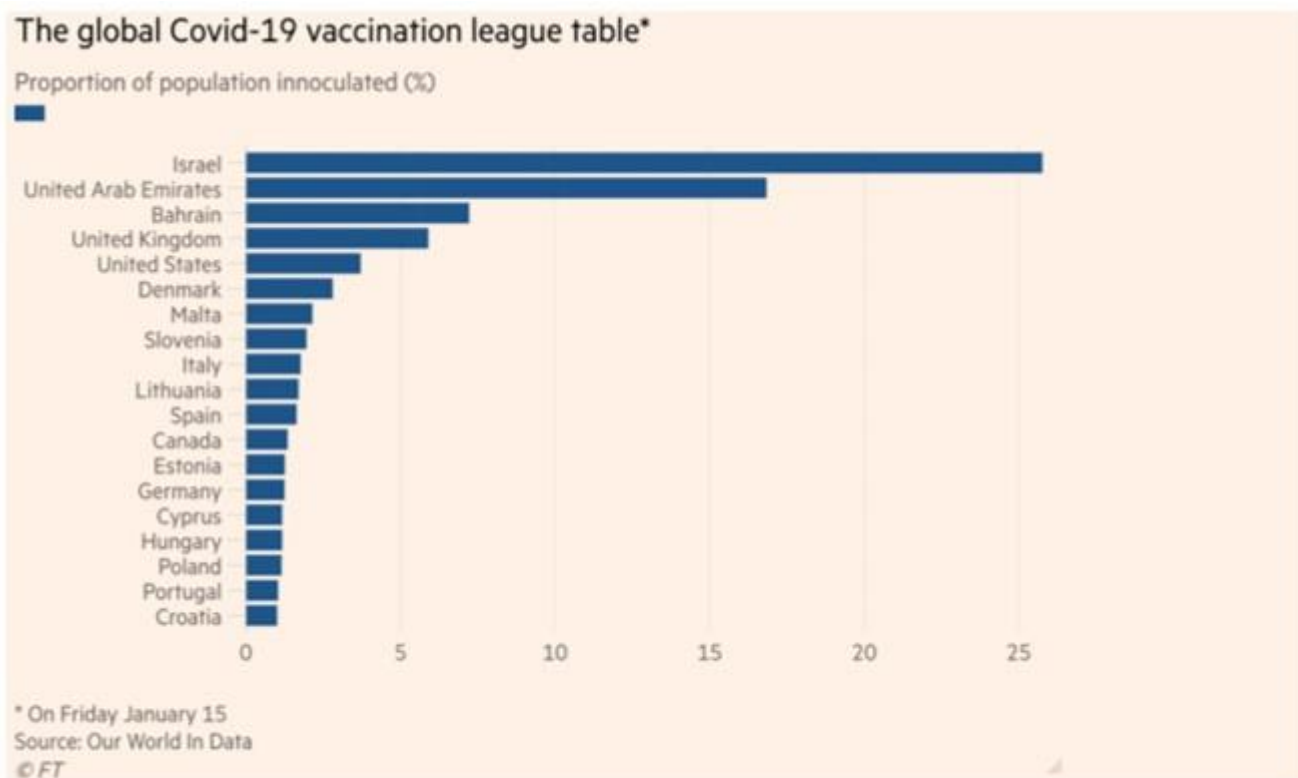


Can Britain Become ‘Great’ Again?

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

Covid-19 has proved to be the defining issue of 2020 for Boris Johnson’s government though this is the case for those in charge of every other country. Though questions of whether more could have been done to avert a situation in which the UK currently has the [highest death toll in the world](#) there is solace from the fact that ‘roll out’ of the vaccine in the UK is proving so successful and the UK is [fourth in the world](#) behind much smaller nations.



Source: *Financial Times* (18th January 2020)

Vaccine offers genuine hope of a way of dealing with the pandemic that, as well as causing a level of death now almost five times higher than the 20,000 figure [suggested by Sir Patrick Vallance](#), the government’s chief scientific adviser as a “good outcome” last March. As many countries had shown, the only way to attempt to avoid the worst effects of covid – which were speculated to be up to 250,000

deaths and the NHS being overwhelmed – was to implement lockdown.

Though it is impossible to know what the final death toll will be, nor for that matter, the impact of what is known as ‘long covid’ leaving victims who’ve survived the pandemic with debilitating effects, what is clear is that there is going to be a [lasting economic legacy from three lockdowns](#). We’re already seeing the consequences of applying the ‘brakes’ on activities hitherto considered normal and may experience the first double-dip recession since 1975.

Key to success to the return to normality is that emphasis is placed on stimulating opportunity and investment in all parts of the country; especially those in which citizens perceive themselves ‘left behind’. This was made clear, though in starkly different ideological ways, by both Labour and the Conservatives during the last general election.

Labour presented what seemed like a coherent and well-considered (and costed) approach intended to achieve an economy based on investment in ‘greener’ industries. However, Labour under Corbyn suffered from a deficit of credibility and perceived by many critics to be promises verging on economic recklessness.

Johnson’s Conservatives, explicitly making the December 2019 general election one based on attaining the ability to achieve Brexit, like much of the rest of its manifesto commitments, presented regional policy in the pithy but simplistic desire to ‘level up’.

Having been elected to government with a clear mandate to “get Brexit done”, Johnson’s government would, had the pandemic not occurred, have been assumed to have been already actively implementing ‘levelling up’.

Perhaps the greatest challenge that confronting any government in dealing with regional inequality is the fact that any extant differences are a product of history and political interventions going back to the early 1980s when manufacturing, the basis of economic prosperity in many of the ‘left behind’ areas, was undermined through deskilling and a switch to greater reliance on services.

Accordingly, and some 18 months into a Premiership that has allowed him to complete what his predecessor found impossible to achieve and having attempted to deal with a health crisis that, we're told, could have taken his own life, Boris Johnson is turning to the task of levelling up.

Whatever his government does needs to achieve rapid results. He is under pressure from his own MPs and knows that success in the vaccine is making up for the indecisiveness that has resulted in the high rate of death and a phenomenally high level of public debt caused by lockdown.

Equally importantly, unless payoff can be demonstrated in 'red wall' constituencies, there's a danger that by the time of the next general election in, probably mid-2024, voters will ask what they gained by supporting the Conservatives?

And herein lies the conundrum for Johnson's government.

Though it is only three weeks since the end of the transition period that was part of the process of leaving the EU, many issues have emerged, not least problems with additional bureaucracy required. This has disrupted supply chains. Brexit is not producing the embarrassment of riches promised by advocates.

The issue of the UK's fishing industry, argued to be totemic to freedom from constraints imposed by the [EU and its Common Fisheries Policy](#) (CFP), is a case in point. Monday's demonstration in London by representatives of Scotland's fishing industry would suggest high levels of dissatisfaction allowing freedom to sell to customers in the EU provided the correct paperwork has been completed.

Fish however they get to their intended market, was never going to achieve 'levelling up'. At best this sector was a sideshow used, as in all deceptions, to deflect attention.

The real challenge confronting Johnson and his cabinet is in ensuring the negative effects of Brexit, which has so poisoned relationships with countries in the EU, the bloc representing its largest export market. This is essential to ensure jobs losses don't significantly add

to those caused by the economic impact of covid and which, but for intervention by the government, could be so much worse.

Crucially, Johnson and his ministers need to create new jobs in parts of the country in which the negative effects of Margaret Thatcher's notorious antipathy to manufacturing still linger. These areas, which voted to leave the EU because of believed sense of abandonment, has produced long-term levels of higher-than-average levels of unemployment and deprivation, lack of educational attainment and associated problems of poor health.

Creating new jobs would be a tall order at any time. In the aftermath of the worst health crisis for a century requiring intervention causing government borrowing to spike alarmingly, makes the challenge even greater.

Whilst the 'green agenda' provides precisely the sort of opportunities offered by Labour at the last general election, there are difficulties. A study, *Road to Zero*, produced by think-tank Onward argues that as many as ten million jobs in polluting industries would need to be replaced if the UK is to achieve its stated objective of 'net zero' carbon emissions by 2050.

As the [Telegraph](#) reports, this report shows that 43% of workers in the sectors contributing most to pollution are in the "so-called red wall."

Undermining existing jobs is not popular and may result in lost seats in the next election.

Many are sceptical that the current government's intention in levelling can realistically be achieved; quite the contrary. Indeed, as Jeremy Warner in the [Telegraph](#) asserts, compared to other countries, especially the US, in the UK there is too much reliance on the "confidence of foreign investors" undermining potential growth. Tuesday's announcement by Carlos Tavares, chief executive of Stellantis, the newly merged Fiat Chrysler and PSA, that electric rules and Brexit risk "destroying the business model" of the Vauxhall plant at Ellesmere Port is ample demonstration of the problems that [may surface in coming months](#).

In its editorial on Monday, [The Guardian](#) 'The Guardian view on Boris Johnson's plan: levelling down, not up', makes clear its disdain for a PM whose "political concern is to entrench an economic doctrine even while it drags society under".

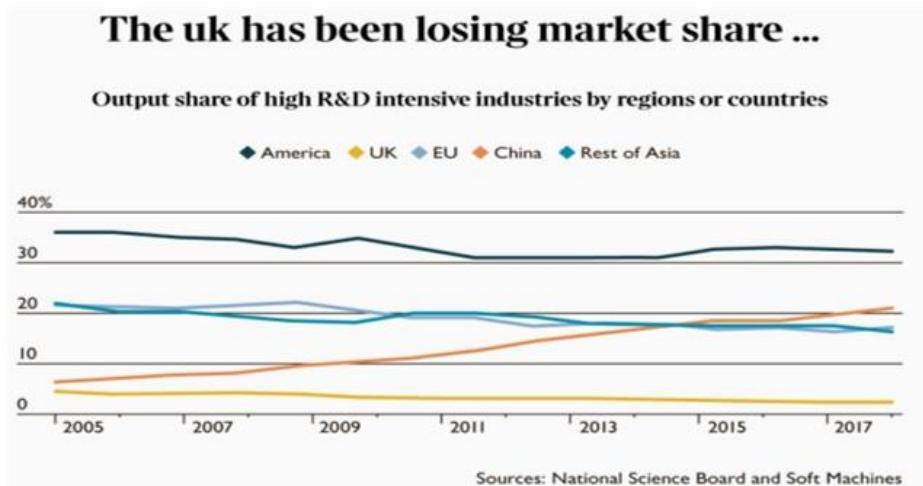
In order to achieve economic recovery based on reducing dependency on imports as well as commensurate increase in exports, investment in innovation must be ensured.

Recent history does not provide inspiring portents.

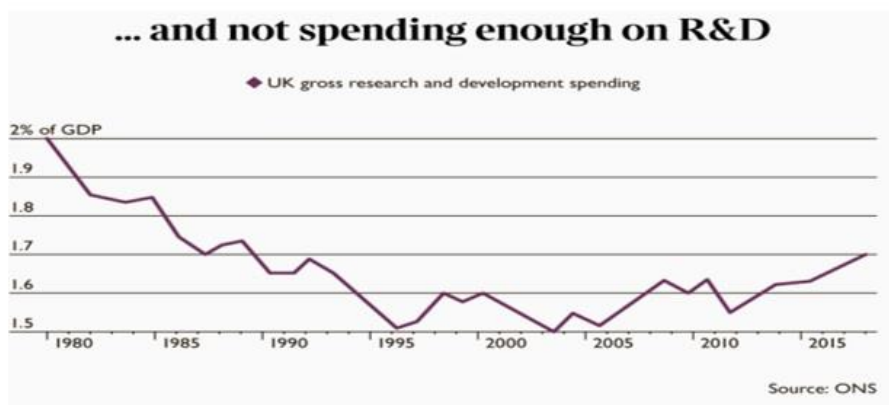
Economist David Smith in his [Sunday Times column](#) examines what is required to stimulate knowledge-based industries to achieve the objective of radical innovation as well as improved productivity.

Smith takes issue with the boast made by Johnson in the *Tech Nation* annual report that this country is well poised to be "Europe's No 1 tech nation". Using data gleaned from a blog by Richard Jones, professor of materials physics and innovation policy at Manchester University, 'How does the UK rank as a knowledge economy' based on five highly intensive R&D (research and development) and eight medium-to-high R&D intensive industries, Smith believes there needs to be acknowledgement of the magnitude of the task of enhancing innovation and greater technological prowess in the UK.

Smith asserts that claims that this country can potentially become a world-beating 'global Britain' must be judged against the data presented by Jones showing otherwise:



Source: *Sunday Times* (17th January 2021)



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Historically low levels of R&D have hampered this country. As many including Jones point out, half of such spending occurs within the 'Golden Triangle' consisting of Oxford and Cambridge universities and London. The collaboration of Astra Zeneca and Oxford University in developing a vaccine for Covid-19 being a spectacularly successful achievement.

Smith concludes that the government should recognise the how much more effective R&D investment is in stimulating long-term prosperity and job creation rather than the obsession with 'shovel-ready' infrastructure projects. Such spending he contends, should be 'tilted' towards regions to ensure a greater geographical spread.

Smith final observation, that there should be "realistic assessment not just of our strengths but also of our many weaknesses" is perhaps the greatest challenge to Johnson and his government. In securing an 80

seat majority at the last election by incessant use of sound bites, they've shown little inclination to desist from this tendency.

Critics of this government stress, borne out during its stewardship of the pandemic, that being in control and providing leadership needed in crisis and beyond, requires careful consideration of the facts and all options available. Command of detail, not one of Johnson's (or many of his ministers) strengths, is frequently absent.

Making Britain 'Great' is not impossible. However, as David Smith explains in a column in [Tuesday's Times](#), Brexit is likely to reduce exports to the EU making Britain less, not more, global. Though the notion of a "buccaneering free trade Britain was appealing" the reality, he believes, reality will be rather different.

Given the position the UK currently holds in terms of R&D and innovation in new ideas and products will make the quest of becoming a world leader immensely difficult. It requires more than the sort of meaningless rhetoric so characteristically favoured by the current PM.

Dr. Steven McCabe is co-editor of *Brexit and Northern Ireland, Bordering on Confusion* (published by Bite-Sized Books, ISBN-13:978-1694447807) and *English Regions After Brexit: Examining Potential Change through Devolved Power* (published by Bite-Sized Books, ISBN-13: 979-8666953099). He has contributed chapters to a number of texts in the last year (in 2020 unless otherwise stated): *Brexit Negotiations after Article 50: Assessing Process, Progress and Impact* (published in 2019 by Emerald Publishing, ISBN: 978-1787697683); *The Wolves in the Forest: Tackling Inequality in the 21st Century* edited by Hindley and Hishman (published in 2019 by Social Liberal Forum); *Boris, Brexit and the Media* edited by Mair, Clark, Fowler, Snoddy and Tait (published by Abramis Academic Publishing, ISBN-13: 978-1845497644); *The Virus and the Media: How British Journalists Covered the Pandemic*, edited by Mair (published by Bite-Sized Books, ISBN-13: 979-8643725824); *The Pandemic, Where Did We Go Wrong?* edited by Mair (published by Bite-Sized Books, ISBN-13: 979-8665858326); *BBC, A Winter of Discontent?* edited by Mair (published by Bite-Sized Books ISBN-13: 979-8694863117) and *The Pandemic, Where are We Still Going Wrong?* edited by Mair, (published by Bite-Sized Books ISBN-13: 979-8563726338).

His latest chapter, 'Does Vaccination offer Johnson a Way out of the Pandemic?' will be published in a new text due out in February.