

Hard Times...

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

Though we'd all like some certainty as to when the pandemic will end – and in the very short-term when and what restrictions may be imposed – according to David Robertson and Peter Doshi, who wrote a short analysis in *bmj*, the notion there'll be a definitive end is mistaken. Instead, they explain, pandemics “gradually fade as society adjusts to living with the new disease agent and social life returns to normal” (2021).

Notably, Pfizer Chief Scientific Officer, Mikael Dolsten, recently suggested that “expects some regions to continue to see pandemic levels of COVID-19 cases over the next year or two” (Kennedy, 2021). Unfortunately, it appears, we should anticipate the curse that is covid to take us well into 2022 and, as pessimists contend, 2023 before it is consigned to history.

As such there'll be continued disruption and, as events in the last couple of weeks have shown, political casualties. Indeed, and though in the past Boris Johnson has proved those who've written him off as 'yesterday's man' to be somewhat premature, the rebellion suffered in Parliament last week in attempting to legislate pretty limited changes to deal with the Omicron, suggest his time as leader of the Conservative Party is limited.

Add in the by-election defeat suffered in North Shropshire, a formerly rock-solid 'safe' Conservative seat, an election Johnson was instrumental in causing in attempting to alter Parliamentary practice so ensure sitting MP, Owen Petterson, could, though found guilty by the standards committee of “egregious” behaviour in lobbying, could avoid a temporary suspension, and his time as leader looks even more fragile.

Machinations of the Conservative Party may be entertaining but there's quite literally a deadly serious aspect. Medical experts have called for the introduction of stricter curbs on collective behaviour to ensure the spread of Omicron infection is vastly slowed to avoid overwhelming the NHS. However, the government have declared no changes will take place before Christmas (Walker, 2021).

As Johnson's critics contend, in the face of an ongoing health crisis, though enjoying an 80-seat majority, he's now effectively 'hostage' to elements in his party who ensured his victory to replace Theresa May. Many MPs who're part of this element tend to be characterised as passionate free marketeers and highly libertarian. For them, curbs on freedom of movement of citizens, even during an ongoing pandemic, are anathema.

Ex-Tory MP Matthew Parris, in his weekly *Times* column, argues Johnson is a manifestation of the populism. The party he represented as member for West Derbyshire, when he was 'correspondence clerk' to Margaret Thatcher, he claims is now inhabited by “some kind of lunacy” (2021). For Parris, the Conservative Party is being become poisoned by populism foisted on it by those vehemently opposed to the EU and driven by short-term political advantage.

An irony is that those who rebelled last week against further restrictions on society to protect us against the latest variant of covid were more than happy to end the freedom enjoyed by UK citizen to live and work in any other part of the EU. This irony, of course, would never be accepted by them.

Rather, many opponents of last week's intention by introduce curbs to deal with Omicron, was the potentially negative impact on economy. Unsurprisingly, many businesses, especially in hospitality,

entertainment and leisure, following the statement made by Chief Medical Officer for England, Professor Chris Whitty, that every person should carefully consider the need to engage in contact with others as Omicron spreads rapidly, have witnessed a discernible fall in bookings for events and there's been reduced 'footfall' in high streets and shopping centres which will hit retailers.

Cognisant of the impact this has had, Chancellor Rishi Sunak's announcements to provide financial assistance of £1 billion in funds for businesses which have suffered because of loss of bookings due to fear of covid. There are four elements being offered by Sunak (Sparrow and Partington, 2021). Included are grants of up to £6,000 per premise to be administered through local authorities. There are further grants to assist those businesses 'most in need' as well as resumption of the statutory sick pay rebate scheme for those employing fewer than 250 workers whose employees are absent due to covid. Finally, £30 million is available to arts organisations that will be paid through the culture recovery fund.

A number of commentators believe that what's been made available by the Treasury will, at best, merely be sufficient to allow them to survive (Marlow, 2021; Pickard and Hancock, 2021). There's a fear many will not. Besides, like financial assistance previously made available during the pandemic, grants eventually have to be repaid making recovery more difficult.

Any business operator faced with mounting debt and, as is being rumoured, further restrictions being imposed following Christmas, and with no definite end to the pandemic, could hardly be blamed if they simply decide the quest for survival, let alone success, is too great. As such, there's a worry that regardless of what happens over Christmas and the New Year, the number of businesses failing in 2022 will increase resulting in redundancies among staff employed.

It's to be hoped that this is worst-case territory.

Nonetheless, the economic backdrop going into the current phase of the pandemic was not auspicious. As the latest figures for economic growth for the UK in October indicated, growth in GDP was only 0.1% (Wood, 2021). Had it not been for services, which increased by 0.3% but still remains 5.2% below pre-pandemic levels, the economy would have shrunk.

Following September, when the economy grew by 0.6%, October's figure is not good. Hopes that worst of the pandemic was behind us and we could look forward to the better times promised by those who advocated leaving the EU as a way to increase prosperity are fading. It's to be feared that the consequence of covid restrictions will inevitably, combined with continuing supply-chain problems, undermine any hope of increased economic growth in November and December.

Equally, that inflation, which every business must deal with, is extremely high in comparison to recent years is an added problem. Consumer price inflation at 5.1% and retail price inflation at 7.1%, will increase amount we need to pay for goods. To avoid an inflationary spiral the Bank of England's Monetary Committee raise interest rates from 0.1% to 0.25%.

Though 0.25% would seem ludicrously low to those who recall it being double digit (September 1991), this increase indicates times getting tougher. Though suggest that the impact of Omicron may mean the raise was unnecessarily premature (McRae, 2021; Smith, 2021), it's to be expected that historically low rates may be coming to an end.

Those in whose hands Boris Johnson's fate lies, argued a brighter future for the UK free of interference of the EU. Though only twelve months since the end of transition, data regularly indicates that fulfilling the will of the people who voted to leave the EU in June 2016 has come at a much higher cost than they might have anticipated (Fraser, 2021, Wright, 2021).

The independent (OBR) Office for Budget Responsibility calculated earlier this year that Brexit and the need to implement new trading arrangements with the EU had reduced GDP by 0.5% in the first quarter of 2021 (Raphael, 2021). That the OBR have estimated the long-term effect of leaving the EU will be reduce the UK economy by 4% as compared to having remained a member, twice what the impact of covid has been, suggests that even tougher times lie ahead, especially as 'full' customs controls commence on 1st January 2022 (UK government, 2021).

Figures produced by the Food and Drink Federation show that exports to the EU dropped by almost 25% in the first nine months of this year representing a loss of sales worth £2.4 billion (Woodcock, 2021). This was not what was promised by those advocating leave back in 2016 during the referendum.

Many believe the increasing economic problems caused by Brexit is a reason for upheaval within the Conservative Party. There are many who, following Brexit Secretary Lord Frost's resignation, suggest it was borne of frustration that his threats to trigger a trade war with the EU were not being supported by the PM and his Chancellor who fear further damage to the economy. (Swinford and Blakely, 2021).

Though Boris Johnson may feel he's currently being assailed from all sides, he may choose to reflect on his role in propagating the poison of populism within his party which is causing the convulsions being experienced. If Brexit was a major reason for the spreading of the poison Matthew Parris refers to (*ibid*), it becomes obvious what the antidote may be. However, for the foreseeable future, it's hard to see how things may change.

Should the economy suffer as predicted since from the moment the intention to hold a referendum on continued membership of the EU was announced by then PM David Cameron in February 2016, the reality will that we all suffer harder times.

Let's hope, as well as bringing an end to the pandemic, 2022 heralds a recognition by the government of the phenomenally damaging error that, following the outcome of the 2016 referendum, leaving the EU under the terms negotiated by Johnson/Frost deal shas been for the UK.

Unfortunately, though, this seems unlikely and more pain, and hard times, lies ahead.

Happy Christmas!

Dr. Steven McCabe is co-editor of *Exploring the Green Economy, Issues, Challenge and Benefits* (ISBN-13 979-8532032347) and companion text, *Green Manufacturing, What this involves and how to achieve success* (ISBN-13 979-8751284619), both recently published by Bite-Sized Books. He is working on a text examining how to solve Britain's house price problem to be published in early 2022. His chapter, 'AI Promised You a Miracle – Life Under 'Greased Piglet' Johnson', is included in *Populism and the Media* (ISBN-13 978-1845497859), edited by Mair, Clark, Fowler, Snoddy and Tait and published by Abramis Academic.

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