

# A Lost Year?

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Prime Minister (PM) Boris Johnson's announcement on Monday 23<sup>rd</sup> March 2020 of the imposition of lockdown is now widely regarded as the point at which the impending crisis of coronavirus became real. This was clearly a defining moment in a health crisis that's tested the resolve of the British public and, unsurprisingly, put a government that had been elected a couple of months previously on the simplistic goals of 'getting Brexit done' and 'levelling up'.

Lack of preparedness and unwillingness by Johnson and his cabinet to accept how serious the threat posed by Covid-19 was likely to be, is cited as a reason why, to date, the figure of over 126,000 people who've been officially recorded as dying of it is considerably higher than it needed to be and greater than many other countries.

Dreadful though this number is, and though it's accepted that it does not include all who died as a result of the pandemic, particularly in the early stages, it's a somewhat better outcome than the predications in March by SAGE (Scientific Advisory Group for Emergencies) to government that without any action over half a million could die. Indeed, SAGE believed, even with "mitigations" there might still be 250,000 deaths.

As [\*The European\*](#) reported last week, the BBC reported that in the very early stages of the pandemic PM Johnson believed, as President Trump also proclaimed, the best thing was to ignore the virus and that "overreaction could do more harm than good". There was talk of what's known as 'Herd immunity' by letting the virus 'rip' through the population in the ludicrously naïve belief that we'd somehow become inured to Covid-19.

Rapidly rising deaths combined with overwhelmed intensive care units told another story. Having already advised against non-essential travel and social contact and for people to work from home "where possible" on 16<sup>th</sup> March, and four days later closing schools,

restaurants, cafes and pubs, Johnson was forced on 23<sup>rd</sup> March to impose something considered inconceivable in this country; lockdown. So began the year-long cycle of intermittent imposition of restrictions we're still experiencing.

Though there have been calls for a [public enquiry](#), many believe that this will be resisted by a government which, led by a self-indulgent populist, shows no inclination to allow any of its actions to be scrutinised. Christina McAnea, general secretary of Unison, representing 1.3 million health staff including porters, cleaners, care workers and nurses, who's quoted in this article asks the very pertinent question of why so the pandemic was handled so disastrously by government leaving residents of care homes so vulnerable to infection and putting the front line staff she represents at risk through inadequate and unavailable protective clothing and equipment.

Whatever Johnson's government might wish, certain facts will be apparent in published statistical data. The number of people dying during the period in which the pandemic has raged, regardless of precise cause, clearly demonstrates there's been an excess over the normal average that would be expected:

### **Weekly Deaths From All Causes: England and Wales**



**Source: Sky News (based on ONS data)**

Informed wisdom is that had Johnson been willing to lockdown earlier than 23<sup>rd</sup> March, the first spike in deaths would have been lower due

to reduced interaction between people passing on infection (the 'R' number). As the graph shows, by early summer deaths had resumed to a level consistent with the long-term average. However, without immunity to infection, development of an effective vaccine still being many months away, Covid-19 infection continued to circulate.

Indeed, Johnson, ever the populist who'd developed his brand on the basis of exalting in libertarianism, exhorted people to get back to normal. As I wrote in my chapter 'Did 'Eat Out to Help Out' Result in the Country 'Getting Stuffed'?' published in [Pandemic – Where Are We Still Going Wrong?](#), there's good evidence to show that this initiative from Chancellor Rishi Sunak, intended to assist the hospitality sector badly hit by the first lockdown, and which cost the taxpayer £849 million, contributed to the second wave of infections. This led to the need to reimpose restrictions in November and just after the New Year which is ongoing.

Russian leader Josef Stalin, who's estimated to have been responsible for the deaths of at least 20 million people, stated "The death of one man is a tragedy. The death of millions is a statistic." Covid-19 is certainly producing large statistics.

Families of those who've died will continue to mourn the loss of loved ones. Those who've survived, but must suffer from long covid, may have to face the prospect of being so debilitated that they may find it extremely difficult to return to normal work for many months or years. Devastatingly, some may never work again which, of course, puts pressure on public finances in supporting them and their families.

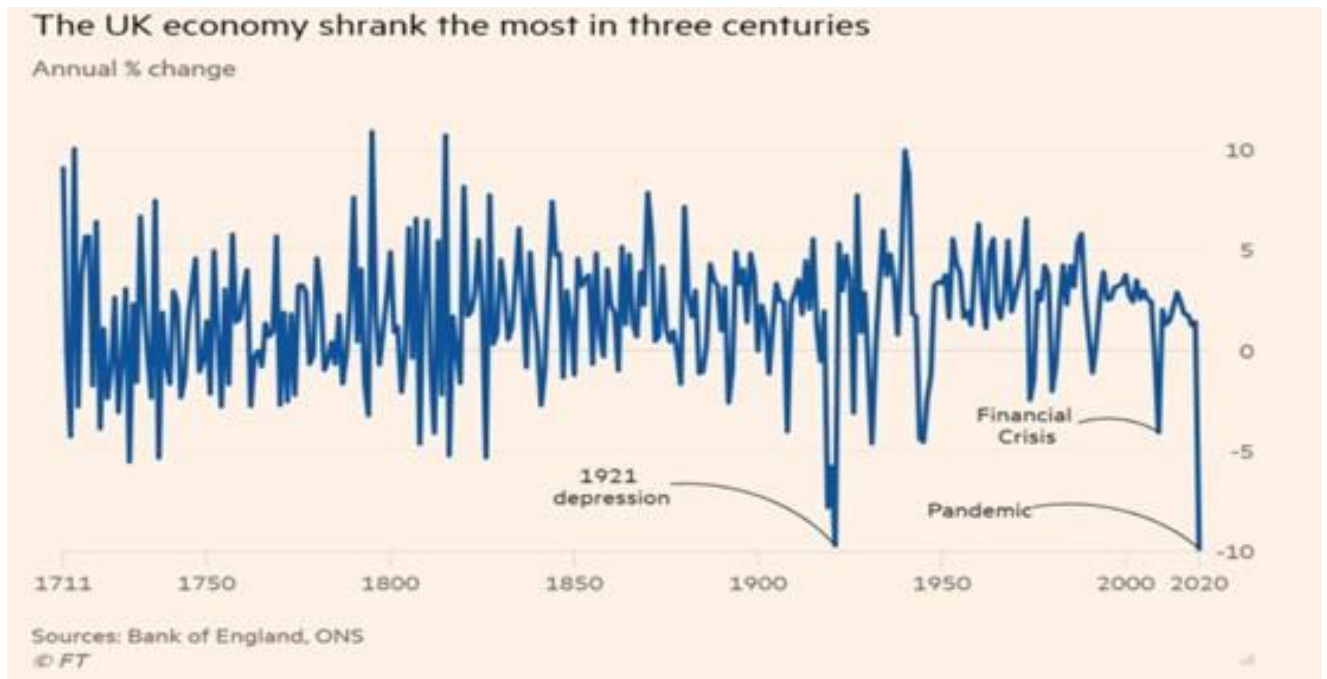
And it's the impact of the pandemic through restrictions on people which is going to have a long-lasting effect on public finances.

As [Guardian](#) economics commentator Larry Elliott reports, the impact of lockdowns has, according to the Centre for Economics and Business Research (CEBR) cost the UK economy £251bn

This tells us how much the pandemic has cost us and is demonstrated by the fact that the economy shrank by 9.9% last year. As regularly stressed, this is the worst economic performance since '[the Great Frost](#)' of 1709 when this country was agrarian and the industrial

revolution which created the basis of our modern society was still over half a century away.

It's probably more realistic to compare 2020 to how the UK performed in 1931 during the 'great depression' which convulsed the world and devastated prospects for so many and, it is asserted by some, created conditions of disillusionment that led to the rise of fascism and the Nazis led by Adolf Hitler in the 1930s in Germany:



It's also worth remembering that in the 2020 budget held on Wednesday 11<sup>th</sup> March, the day when WHO (World Health Organisation) declared coronavirus to be a pandemic, the Cheltenham Festival was well underway and Liverpool hosted Atletico at Anfield, Sunak announced what seemed then like a whopping package of support worth £12 billion to deal with Covid-19.

As Sunak must sometimes reflect, if the cost of dealing with the pandemic had only been so cheap. *The [Financial Times](#)* reports the total cost of the pandemic has already cost the exchequer £352 billion. This figure is likely to continue to rise for the next few months meaning the public debt-to-GDP ratio, currently 97.5%, will creep even higher.

Once you add up the lost economic activity, reduced taxes, direct cost to the exchequer and the impact felt by the poorest in society, always

worst affected in any crisis and whose opportunities will be blighted by higher unemployment, the overall cost to the country is enormous. Moreover, the impact of covid has not fallen equally.

Elliott states in his piece that regions such as Scotland, Wales the West Midlands, the East Midlands and the East of England “suffered Covid-induced losses larger than their typical contributions to the economy.”

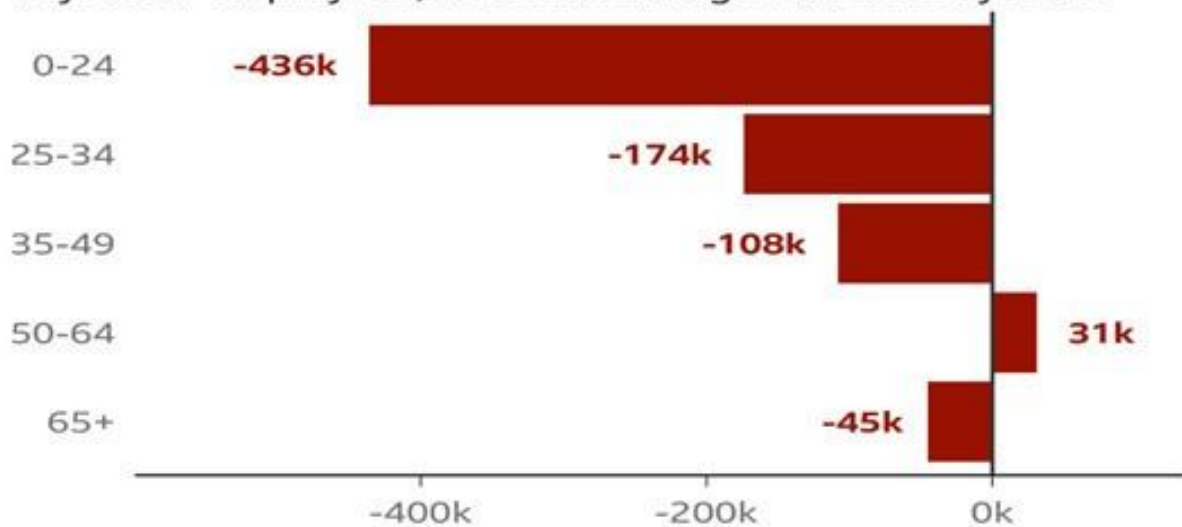
Extant challenges that confronted the government before the pandemic such as regional inequality, joblessness and lingering deprivation brought about by poverty have simply been exemplified by the impact of the virus. In the city in which I live and work, Birmingham, as the [Independent's Colin Drury reports](#), 33,000 people have lost their jobs in the past year leading to an unemployment rate of 15%. This, he stresses, is comparable to that experienced during the period of devastation in the 1980s during deindustrialisation, when manufacturing rapidly reduced capacity.

Though it's important to recognise that national unemployment, according to ONS (Office for National Statistics) data, has fallen by 0.1% to stand at 5%, this is an average for the country and, as widely acknowledged, levels out peaks and troughs felt in particular parts of the country.

As the [BBC report](#), what the pandemic has so cruelly exposed is that lockdown disproportionately affects those who work in the sectors forced to close during lockdown; the youngest.

## Younger age groups have seen a great decrease in payrolled employees

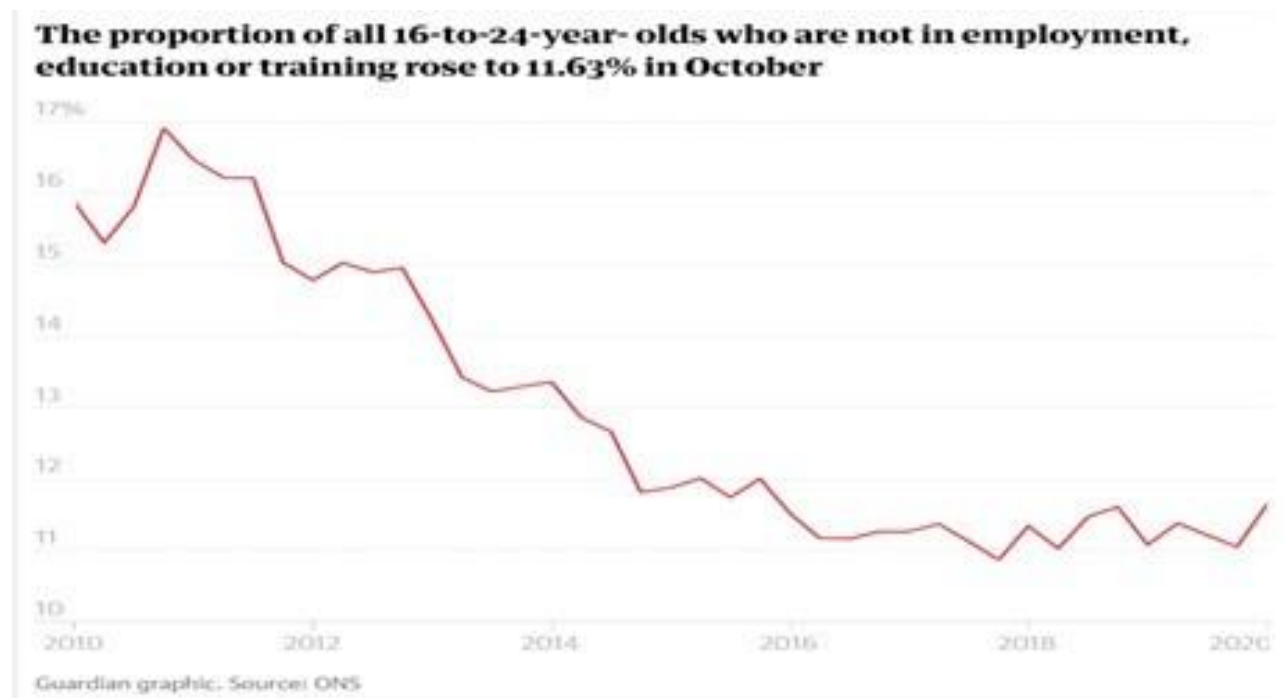
Payrolled employees, absolute change on February 2020



Source: Office for National Statistics

BBC

It's significant that just under two-thirds of people who lost jobs in UK pandemic are [under 25](#). Worryingly, Anna Bawden explains, long-term unemployment has increased 40% during the pandemic meaning there are now "215,000 young people out of work for six months or more" and that of 16- to 24-year-olds currently unemployed, "74% have been unemployed for at least six months":



Source: *The Guardian*

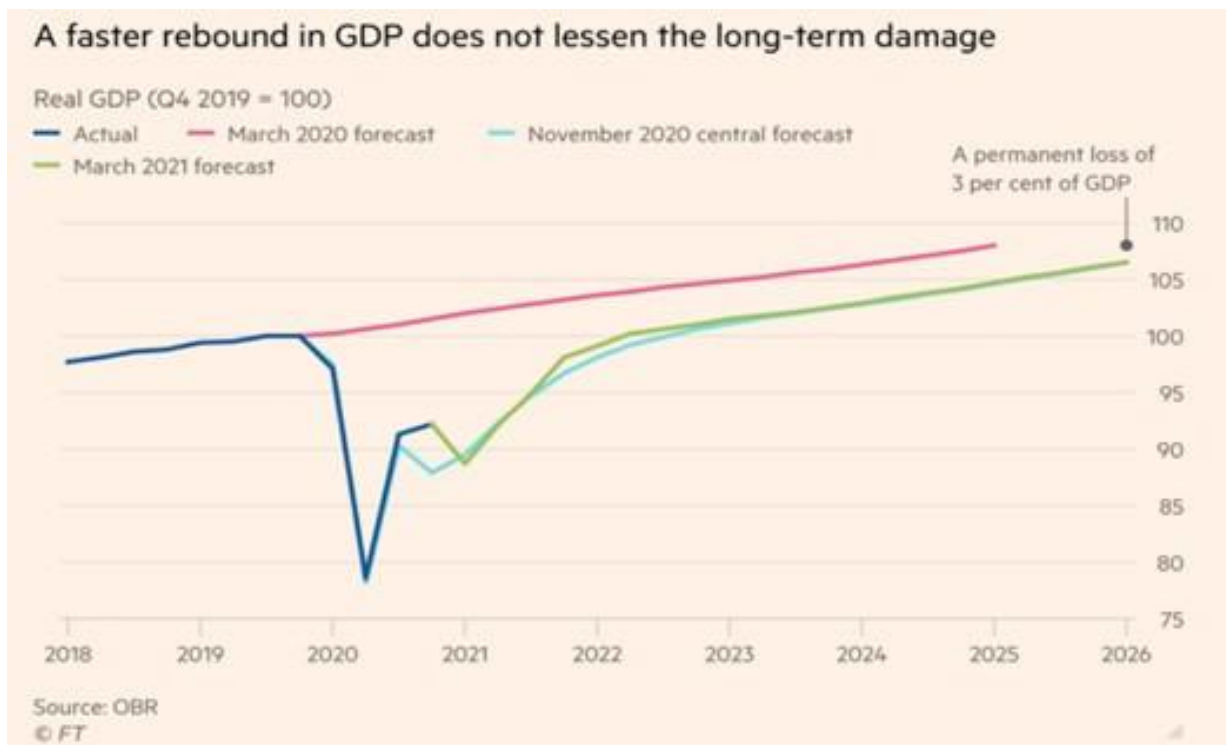


Once again, the national average does not tell the whole story. Unemployment among 16- to 24-year-olds may be just below 10% in the south-east but exceeds 19% in London, is 17% in the north-east and 18% in the West Midlands.

Birmingham, a city in which, in the 1960s, workers were attracted by the abundance of opportunities provided by industry and reconstruction after the war and boasts the youngest average age of any European city, is having a hard time because of the pandemic. Sadly, Birmingham will not be the only part of the UK suffering the bight of a dealing with the worst health crisis for a century.

The big question literally every person is asking is how much longer will the pandemic last and when can we return to normal?

Recovery, no matter how fast it occurs is going to leave damage that will take considerable time to repair. Valentina Romei writing in [The Financial Times](#), contends GDP is likely to be 3% below the pre-pandemic trend by 2024 meaning “fewer and less productive jobs and weaker opportunities for business”:



Any recovery will require continued success in the [roll-out of the vaccine](#). Unseemly squabbles with Europe over who gets the vaccine

first, undoubtedly favoured by nationalists with a populist agenda is not helpful. Hostility, possibly caused by lingering resentment resulting from Brexit will further undermine the recovery of businesses, some of which have experienced '[cliff-edge](#)' drops in exports since the ending of the transition arrangements on 31<sup>st</sup> December.

Prior to the pandemic, the UK economy was characterised as being one in which wages were low investment was restrained and, as a direct consequence, productivity anaemically sluggish in terms of improvement.

How will the government deal with these long-term structural problems in addressing regional inequality as part of 'levelling up'?

Polly Tonybee in her Guardian article '[There's too much airy optimism about post-Covid Britain. Prepare for brutal cuts](#)' believes that things could become even tougher. As she claims, "Reflecting on all that was lost in the last year, be afraid of all the losses still to come."

Critically, advisory group The Industrial Strategy Council (ISC), in its last report before it was abolished, and was led by Bank of England chief economist Andy Haldane, as [The Financial Times](#) reports on Tuesday, is critical of Johnson's government's plans to 'level up' as well as the notion there's genuine commitment to tackling climate change many believe essential to creating new jobs through a greener economy. According to the ISC, there's overreliance on headline grabbing infrastructure projects so favoured by Johnson and the use of central funds too thinly spread. Rather, it argues, "Sustained local growth needs to be rooted in local strategies, covering not only infrastructure but skills, sectors, education and culture."

Following this thesis, there's a danger the 'lost year' of 2020, caused by the pandemic, could be bookended by problems that've confounded every government since the 1980s.

Regrettably, this would represent lost futures for far too many bright young people promised better in the 2019 general election.

**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?' is published in ***Pandemic, A Year of Mistakes?*** Edited by Mair to be published by Bite-Sized Books (ISBN-13: 979-8702357799).

His latest co-edited book, ***Exploring the Green Economy, Issues, Challenges and Benefits***, will be published in early summer. Additionally, 'I Promised You a Miracle – Life Under 'Greased Piglet' Johnson', will be included as a chapter in a forthcoming book, ***Populism and the Media***, to be published by Abramis Academic Publishing in June.