

Conservative Home article on Northern Ireland Protocol

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Brexit was a vote to take back control. Remain tried to turn it into a narrow discussion of trade and trading arrangements, denying much more constitutional significance to the EU. Brexiteers wanted our country back. We knew that greater prosperity and freedom as a result would depend on what use Parliament made of the freedom to make our own choices. The public, in anger at the way the 2017-19 Parliament tried to undermine the verdict of the people and tie us back into much of the EU's laws and arrangements, voted for the big Brexit majority in 2019.

Given the hassle and the anti-democratic efforts of so many in a Remain-dominated establishment to keep us close to the EU, it was understandable that the Prime Minister would rush through a Withdrawal Act before the last election when he was still hamstrung by the absence of a Brexit majority.

After the Conservative win, he speeded up negotiations on a future relationship. The EU had insisted on a two-stage process, agreeing terms of withdrawal, leaving and only then negotiating a future relationship. A possible trade agreement to supplement WTO most favoured national trading that would otherwise apply helped them more than us, but was used by the Remain establishment to keep us closer to EU rules.

The EU broke its own interpretation of EU law which it said necessitated this phased approach by inserting a Northern Ireland Protocol into the Withdrawal Agreement which did tackle some future relationship issues which were meant to be out of bounds at that stage.

The Protocol it drafted was contradictory and ambiguous. It contained a lot of clauses requiring Northern Ireland compliance with the EU Single Market, but it also included clear statements that Northern Ireland would be part of the UK's internal market and would benefit from UK free trade deals, and that Northern Ireland's status as part of the U.K would be confirmed.

Both sides recognised the the Protocol did not represent the final answer, which is why it included Article 13.8 which provided for cancelling or replacing it in due course. It was assumed by many there would be a clearer statement in the future relationship treaty. When it did not produce one, Northern Ireland was left facing an uncertain future. Conflicting jurisdictions in the EU and U.K took very different views of what the contradictory and ambiguous document meant.

The EU decided on a maximalist interpretation, imposing or seeking to impose a vast array of controls and checks on internal U.K. trade passing between Great Britain and Northern Ireland. The U.K. politely spent two years asking for some give as well as take from the EU with no success. The Unionist

parties in the recent Stormont elections suffered from the damage done to Great Britain/Northern Ireland trade, and to the sense of identity of the Unionist community in Northern Ireland by the intrusion of the EU into their lives.

The U.K according to the EU cannot change VAT in Northern Ireland when we change it for Great Britain against EU laws. Northern Ireland has to accept an avalanche of new law from the EU every year while Great Britain does not have to accept or legislate for anything similar. Northern Ireland gets no vote or voice on the laws the EU imposes

As a result, unionist members of Stormont are refusing to join an executive or government in Northern Ireland until the Protocol is removed or substantially amended. They see an EU understandably on the side of its member state, the Republic of Ireland – out to govern against their wishes and interests, forcing on them an unwanted border between Great Britain and Northern Ireland and many costs and impediments to Great Britain/Northern Ireland trade. The U.K. has refused to implement all of them, but the ones already in place are damaging enough.

The Government needs to take action to remedy this big problem. The Belfast Agreement which established peace in Northern Ireland after years of violence is important and is rightly backed by the President of the USA. This agreement has now been undermined by the Protocol . Both the unionist and the nationalist communities need to give their consent to any major decision in Northern Ireland. The Unionists do not consent to the Protocol which they think undermines the Act of Union and deprives them of full and equal membership of the Union of the U.K.

As the EU seems to delight in forcing Northern Ireland against its will into dependence on EU laws and rules that the Government must act soon and unilaterally to remedy this. The EU mouths its meaningless and wrong soundbite that the UK and Northern Ireland have to stick to an international treaty and must not break their law. The truth is that the EU is failing to carry through the parts of the Protocol it does not like and has damaged the Good Friday Agreement. It is controlling parts of tax policy in Northern Ireland and stopping British supermarkets delivering food to Northern Ireland's shops.

The U.K. anyway has the power to legislate independently reserved carefully in the crucial Clause 38 of our Withdrawal Act which is the only form of the Treaty which has power in U.K. law. That Article reserves the right for the U.K. to assert its sovereignty over any of these matters if it needs to. The Government could also operate legally under the terms of the Protocol itself as Article 16 allows us to take unilateral action where the other party has damaged the economy and society of Northern Ireland and or where trade with the U.K. has been impeded. Clearly, both tests have been met.

Many British businesses have stopped selling into Northern Ireland or have streamlined what they sell faced with ridiculous EU imposed checks. More importantly, the delicate balance between the two communities has been fractured with unionists wanting their country back. It is important that the

Government upholds the Belfast Agreement. That means explaining all this to US Democrats who do not understand the Unionist position or the legal background

It means acting unilaterally and fairly to take control of Great Britain/Northern Ireland trade whilst guaranteeing the full force of the state to prevent non-complaint goods travelling into the Republic. It means standing up to the EU as it mouths falsehoods and threatens illegal responses. Brexit is not done all the time it does not extend to Northern Ireland. Our Union is not safe all the time the people who believe most in it are treated so badly.

Why the Bank got it wrong

The Sunday Times ran a topical joke." Two members of the Bank's Monetary Policy Committee walk into a bar. You'd think one of them would have seen it". It is not good when the Bank's ability to forecast and to carry out its main task of keeping inflation to 2% is cause for wide ranging ridicule and censorship. Let me try and explain a little more why inflation is so high and who is to blame.

The first thing necessary to have a more adult debate is to understand the very considerable limits on so called Bank independence. When the Bank first starting printing more pounds to buy up more bonds in the policy called Quantitative easing the Chancellor, Mr Darling, insisted on the Treasury agreeing the sums. The Bank wanted an indemnity against losses on the bonds from the Treasury and taxpayers, so the Chancellor demanded the he and his successors signed off the amounts of any such policy. All Chancellors since have done so and continued the indemnity.

The second thing to grasp is that the main reason inflation has set in badly here, in the USA and in the Eurozone is that all three central banks printed too much money. The Chinese and Swiss Central Banks did not do this and their countries have today inflation around 2% despite also experiencing the sky high energy prices and rising food inflation. Countries like Turkey and Argentina which have printed even more have much higher inflation rates.

So we need to ask why did the Bank of England recommend and execute a policy of creating an extra £450bn and buying bonds with it from 2020 to end 2021? They decided that the large contraction in economic output triggered by the wide ranging and long lasting lockdown of the economy from March 2020 required a substantial monetary offset. As rates were already low and they thought they could take only them down to 0.1% they needed to inject large sums of additional cash into markets. They were also conscious alongside the Fed that in March 2020 the fears of the impact of lockdown were causing a financial and banking market collapse which needed large sums in liquidity to offset.

I think their judgement in March 2020 was right and I strongly supported it. I also supported the Treasury action it made possible, of borrowing huge sums to return some income and cash to the many people and firms that were losing income from the shutdowns. The two actions went together. The state could only borrow that amount at a very affordable rate if the Bank printed money to help them. The impact was not inflationary overall as so many activities were stopped or greatly reduced by the controls.

Unfortunately in 2021 the Bank continued to print money and keep interest rates on the floor long after a good recovery in activity had taken hold. The government continued to borrow and spend on huge scale on a series of special programmes where test and trace was the largest. This was bound to be inflationary, though the Bank ignored those of us who warned it to stop printing. The government continued with expensive lockdown style policies for longer even though vaccines and treatments had greatly reduced death rates from the virus. The economy revealed a number of crucial supply bottlenecks as lockdown measures had damaged UK and global capacity in various areas.

China and Switzerland show that even with sky high energy and dear food it was possible to keep inflation down. The Peoples Bank of China have monetary targets and think controlling the amount of new money is an important part of controlling prices. The Bank of England do not bother to monitor and control the amount of cash. They prefer to believe the unlikely proposition that if you print a load of money and give it to people and businesses they will use it less. That was true in lockdown but they wanted to spend when lockdown tailed off. Maybe the Bank should start to take money growth more seriously.

It was a pity that China who got inflation right was busy trying to correct a credit bubble in property they had allowed. There are many features of the China approach it is better not to follow. The question for Bank of England MPC members is when you saw those piles of cash you were printing, why did you think people would not use them? Or was it you did not see them because you did not bother about the money supply?

[Signing international Treaties](#)

The U.K. has signed too many Treaties in my life so far. They seek to bind the country in for the long term. Where they succeed it offends one of our fundamental democratic principles that one Parliament cannot bind a successor. If a government signs up to a Treaty obligation which the Opposition disagrees with then it is particularly offensive as the incoming Government will find it difficult to disengage. I and my friends had two wins when both main parties wanted to sign the Maastricht Treaty. To secure it through Parliament the government had to gain the opt out from the single currency, the main point of the Treaty. It also secured an exit clause from the EU as a whole, which transformed our options and outlook.

Other Treaties do not offer such good opt outs or fail to include an exit clause. They become ways of freezing policy on an issue to the global consensus at the time of their making which may prove wrong or damaging. I do not think it would be a good idea to sign a binding Treaty designed by the World Health Organisation based on the current level of pandemic knowledge. We should learn from their data and experience and incorporate their best ideas in our future health management but not bind ourselves in.

All Treaties are in practice subject to revision or termination if all the signatories come to agree they are outdated or wrong. Some Treaties are necessary to settle a peace. These should not be disrupted by a losing combatant when they get stronger, but may need UN or other external guarantors. Treaties about everything from the environment to health usually go too far in crimping democracy. Sign too many and swathes of self government are constrained or prevented, or a future government has to exit them or amend unilaterally how to interpret them.

[Open letter to the Democrat visitors to Westminster about Northern Ireland](#)

Dear members of Congress

You are welcome in the United Kingdom of Great Britain and Northern Ireland. You will find many MPs here grateful to the USA for helping produce a peace on the island of Ireland after many years of terrorist violence. As one who survived the Brighton bombing the world is a much better place for the Agreement between the nationalist and Unionist communities of Northern Ireland. It is best they work through the ballot box and in a devolved elected Assembly together.

Before entering the UK debate and negotiations with the EU it would be a useful courtesy if you would read both the Good Friday Agreement which we all support, and the Protocol to the UK/EU Withdrawal Agreement. This will remind you that it is the EU's lopsided and heavy handed interpretation of the Protocol which is undermining the Good Friday Agreement. Asking the UK to go along with the EU will intensify the unhappiness of the Unionist community and make it unlikely Unionist Assembly members will resume joint working with nationalist parties. The Unionists see the Protocol as a fundamental change to their constitutional status as part of the UK and its internal market, and illegal under the Act of Union of 1801 and successor Acts which gave them that status. The Good Friday Agreement is based on the wise central proposition that changes can only come about if both communities, nationalist and Unionist, give their consent.

Let me reassure you that as an Englishman I wish both nationalists and Unionists well in Northern Ireland. I and my fellow Englishmen and women have

no wish to keep Northern Ireland in the UK against its will. If at any time it becomes clear from opinion polls majority opinion is shifting in Northern Ireland to leaving the UK we would be happy for a border poll to be held and would accept its result. Current opinion polls say that around two thirds of Northern Irish voters wish to remain within the UK.

The UK did recently give a poll to Scotland when around a half of voters were indicating they wanted to leave the UK. The referendum produced a 55% vote to stay. As a majority of voters in the UK voted to leave the EU the UK cannot accept rule by the EU in part of our country. We voted for the freedoms the USA enjoys to make her own laws and impose her own taxes. I am sure you can understand that. If I had been alive in 1776 I trust I would have supported American independence.

Yours sincerely

John Redwood

Home ownership and house prices

House prices have risen a lot in recent years for a variety of reasons. Demand has been strong, with the country needing to provide for around 300,000 extra people every year thanks to the past free movement of the EU and UK immigration policy. Supply has been limited by a lack of capacity amongst the major housebuilders, a shortage of skilled trades and a country which has lost too much production capacity for building materials. The money policy going for ultra low official rates of interest and relatively low rates for mortgages has enabled a substantial number of people to afford and pay ever higher prices for property. The multiple of incomes of the typical mortgage for a first time buyer has soared, but mortgage interest payments in relation to income have not changed much as the lower rates have so far offset much of the house price increase.

Some say a shortage of planning permissions has kept building land in short supply, yet many Councils report large numbers of unbuilt out plots and leading housebuilders pride themselves in holding substantial land banks. It is of course true that having a restrictive set of laws over how someone can use the land they own will over time mean higher plot prices for building, but there is no appetite to go over to a system where anyone with land can build what they like. Their decisions do have substantial implications for the need for free infrastructure like roads, schools and surgeries where the public sector has to provide and offer some guidance on plans.

It would be a good idea to use the new controls over migration to limit numbers of economic migrants more. We do need to review the provision of building capacity, making it more attractive to people to undertake relevant training. Whilst the provision of cement and bricks, tiles and roof trusses

is a matter for the private sector, the government could do more on its energy, mining, quarrying and forestry policies to assist in providing more domestic capacity for the main supplies needed for building.