

# Global Britain and the security review

The Prime Minister's statement yesterday renewed attention to an increase in spending on defence, including the renewal of the deterrent, an expansion of counter action in cyberspace and improved equipment for all three services. He confirmed the reduction of overseas aid spending, called China a challenge and proposed an Indo Pacific tilt to future policy. The UK is joining the South East Asian nations as a dialogue partner and applying to join the trade Agreement called Trans Pacific Partnership.

The policy takes a more realistic view of threats and challenges worldwide, and proposes strengthening the UK's response. The aircraft carrier Queen Elizabeth will lead a carrier force to reinforce the UK commitment to open sea lanes around the world. A cyber force will be available to retaliate against criminal gangs and state actors attacking our systems. UK networks and utilities will be better protected.

There are various ways in which I want this approach to be strengthened. As I have set out before, a country cannot guarantee its own defence unless it controls central technologies and designs that enable it to roll out sufficient defensive weapons should war arise. A country dependent on seaborne trade needs both to be able to protect convoys at sea and to reduce its reliance on imported raw materials, food and crucial products to reduce the risk of shortages should we face another attempt to dominate us by strangling our imports. Seapower and more recently its modern air arm have been needed in the past to prevent blockade and invasion.

There remain some unanswered questions that next week should be clarified when we hear from the Defence Secretary. How many troops will the army retain? How many seagoing warships? How quickly will the role of drones, smart weapons, unmanned aircraft and missiles increase and what numbers will be involved? What if any global defence tasks should we take on, given our presence in Estonia for NATO and our enduring commitments in places like Cyprus and Gibraltar? What more action is going to be taken to strengthen national resilience and self sufficiency?

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## The government sets out its agenda to reduce crime

I reproduce below parts of the government's explanation of its wide ranging Police, Crime, Sentencing and Courts Bill which the Commons will vote on today.

The Bill will tackle crime by:" equipping police officers with the powers and

tools they need to keep themselves and all of us safe; putting the Police Covenant into law; doubling the maximum sentence for assaulting workers in emergency services; tackling unauthorised traveller encampments; requiring schools, police, councils and health authorities to work together through Violence Reduction Units to prevent serious crime; empowering the police by a new court order to target known knife carriers, making it easier for officers to stop and search those convicted of knife crime; enabling the trialling of secure schools; improving employment opportunities for ex-offenders; introducing tougher sentencing for the worst offenders and ending automatic halfway release from prison for serious crimes; and introducing tougher community sentences.

The Serious Violence Duty will require local authorities, the police, criminal justice agencies, health authorities and fire and rescue services to work together, share data and intelligence, to formulate an evidence-based analysis of the problems associated with serious violence in a local area, and then produce and implement a strategy detailing how they will respond to those particular issues. Prisons and educational establishments will also need to work with these core partners where necessary.

Protecting children and young people in vulnerable positions from sexual abuse and exploitation is a top priority for this Government and we have been reviewing the law in this area very carefully to ensure that any changes we make are the right ones. The current “positions of trust” offences criminalise sexual activity with a child under the age of 18 by people who hold a defined “position of trust” in respect of that young person even if such activity is consensual, effectively raising the age of consent from 16 to 18 in those circumstances. The positions of trust offences build on the “general” child sex offences, which make it a crime for anyone to engage in sexual activity with someone under the age of 16. Non-consensual sexual activity, whatever the age of the victim, is illegal. Following thorough engagement with stakeholders, including representatives from faith groups and the sporting sector, we have concluded that there is a clear need to extend the scope of positions of trust legislation, which currently covers a number of statutory roles such as teachers and social workers, so as to also include those who carry out certain activities within religious and sports settings, for example, those whose roles involve them in being a faith leader or sports coach. By doing this we aim to stop such people who seek to abuse their positions of trust from manipulating or exploiting young people to engage in sexual activity.

#### Criminal Damage to Memorials

While incidences of damage to memorials are typically of low monetary value, they very often carry a high sentimental and emotional impact. Under the current law, cases of criminal damage with a value less than £5,000 must be tried summarily and carries a maximum penalty of three months’ imprisonment or a £2,500 fine. The Bill will toughen the law where criminal damage is caused to a memorial, by removing the consideration of monetary value which would otherwise determine venue and limit sentencing powers, effectively increasing the maximum sentence from three months to 10 years’ imprisonment for criminal damage to a memorial where the value involved in monetary terms

is assessed to be less than £5,000. These changes will allow the court to consider all the impacts, not just financial, so that the sentence can reflect the full range of harm caused.

#### Public Order

We have seen the extensive disruption that some protests have caused in recent years, stopping people getting on with their daily lives, hampering the free press and blocking access to Parliament. We need to improve the police's ability to safely manage such highly disruptive protests by giving them new powers to manage public assemblies and processions. In particular, the Bill will:

- Widen the range of conditions that the police can impose on static protests, to match existing police powers to impose conditions on marches;
- Broaden the range of circumstances in which police may impose conditions on the generation of noise at a protest, including single person protests;
- Amend the offence relating to the breaching of conditions so that someone commits an offence where they know or ought to have known of the conditions imposed by the police;
- Introduce a delegated power enabling the Home Secretary to clarify "serious disruption to the life of the community" and "serious disruption to the activities of an organisation which are carried out in the vicinity of the protest"; two of the thresholds at which relevant conditions can be placed on a protest should a senior police officer reasonably believe there to be a risk of the protest meeting these thresholds;
- Codify in statute the common law offence of public nuisance into in line with proposals put forward by the Law Commission

#### Unauthorised Encampments

As reported before on this website

#### Driving Offences

Whilst many deaths and injuries are the result of a tragic accident, too many of these incidents involve criminal behaviour. The Government is bringing forward changes to driving penalties to meet its longstanding commitment to ensure the courts have the powers they need to deal with those drivers who kill by dangerous driving or by careless driving when under the influence of alcohol or drugs. Our aim is to make sure that the penalties available to the courts for such offences are proportionate and reflect the seriousness of the offences committed. We will also create a new offence of causing serious injury by careless driving to close an existing gap in the law.

#### Serious Violence Reduction Orders

Serious Violence Reduction Orders (SVROs) will give the police additional stop and search powers to target those convicted of knife and offensive weapons offences. SVROs will target those who pose the greatest risk of harm, will discourage offenders from carrying weapons again as there is a greater likelihood of being caught and brought to justice, and will help protect exploited individuals. SVRO will save lives and make communities safer. To

ensure that SVRO operate as effectively as possible we will pilot the new orders before they are rolled out nationally.

Courts

Finally, the Bill will contain measures to help improve the efficiency of the court and tribunals system by modernising existing court processes to provide better services for all court users.”

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## How can we avoid inflation?

The UK's monetary policy is far less expansionary than the US, with. Only growth at half the US rate adjusted for the seize of the economies. The fiscal stance in the U.K. is far tighter than the US who have just announced a monster \$1.9tn spend and borrow programme on top of all the previous pandemic measures. If an6 country is going to have an inflation problem from their response to pandemic it will be the USA.

The U.K. has offered a larger public spending and borrowing boost than most European countries and has accelerated its. Obey growth in line with the ECB. Our inflation rate according to official forecasts will rise a bit but will stay anchored near the 2% target. Others think it could get a bit livelier than that.

Given that we do need stimulus to fuel recovery, and given that an early return to austerity deficit control could make the deficit worse, the U.K. does need Finance an expansion. Given the global inflationary pressures like to break out the best response for the U.K. is to expand domestic capacity rapidly to avoid shortages and undue price hikes in popular areas. we need morE domestic capacity in everything from electricity to timber, from food to broadband To cut the risks from present monetary and fiscal policy.

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## Should there be a reward for vaccination?

On March 11th the EU published its weekly death figures from CV 19. Unlike most countries the EU does not give its citizens a daily up date. The sad news was the death toll had exceeded 560,000. This compares with 530,000 for the USA. The U.K. media reporting U.K. deaths daily and US deaths regularly ignored the EU deaths again.

We should expect the U.K. CV 19 death rate to continue to plunge as most

people at risk get a jab. The U.K. and the US are well ahead of the EU in getting people vaccinated. Shouldn't the UK now enjoy a benefit from this success? Isn't it now safe to let us relax more of the controls? We need to get more services re opened, more leisure and hospitality available with suitable social distancing and air flows.

A year has now passed since the government first locked us down. Over that long time the U.K. has made good progress with treatments and with vaccines. We now have much more understanding of the disease and how to combat it. We need to use these advances to permit more relaxing of the rules and restoration of more business and social activity. It's time to get our freedoms back.

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## Goldilocks policy?

Janet Yellen the US treasury Secretary wants to run the US economy hot. She wants Daddy Bear's porridge straight from the cooker. The UK authorities seem to be looking for Goldilock's favourite, neither too hot nor too cold. The UK has done under half the monetary loosening of the USA. After a similar large fiscal response last year the USA is now doubling up with its monster \$1.9tn further package whilst the UK is looking to phase out the special cv 19 assistance and get borrowing under more control this year. So who will fare better?

It seems likely the USA will grow faster this year than the UK and certainly faster than the EU which is struggling with vaccines and continued lockdown. The \$1400 cheques for most adults sent by the state will combine with the substantial savings accumulated over the lockdowns by the many who kept their jobs but faced restrictions on travel and other spending. This means there is plenty of consumer firepower to unleash. As soon as enough states have relaxed restrictions on retail, leisure, entertainment, hospitality and travel there will be surge in new spending.

What is less clear is has the USA decided to overheat? Could some of that formidable spending power generate more price rises than is desirable? The thought of world re opening has already powered a substantial increase in the price of energy and some other commodities. There has been a sharp rise in freight rates as trade picks up, and a substantial price rise for semiconductors as a world shortage emerges. Will restaurants, hairdressers, holiday firms and hotels respond to a sudden revival in bookings to put up prices, in an effort to recoup some of the losses from the last year? Will there be many economic areas where capacity has been cut by closures that prove permanent, giving more pricing power to those who remain?

The authorities are relaxed. They want a bit more inflation, a bit more pricing power for companies to generate some cash again. The US expects inflation currently at 1.7% to rise towards 3% and to stay above their 2%

target for a bit. They do not expect a price/wage spiral. The high level of unemployment and the need to get so many people back to work suggests to them wages will stay under control.

If the USA is right and it can get away with the huge stimulus it has administered without a worrying inflation, the UK has underdone it a bit. If the USA has gone too far with its monetary and borrowing bazooka, the UK may turn out to be Goldilocks after all.