

Bank of England needs to behave responsibly

The Bank of England needlessly slowed the economy misjudging the economic outlook last year. So far this year it has resolutely refused to ease as the virus has damaged prospects. I have consistently advised a different approach to reserve asset ratios, liquidity and guidance on lending to banks.

The last thing we need now is a panic cut in interest rates out of a normal meeting. What we need is practical measures to help banks and markets see businesses through temporary cash flow problems., and to allow growth in the economy suffering the virus shock.