

Does the Business Secretary think markets work?

Many commentators tell us the Business Secretary is a free marketer who thinks the private sector and free enterprise is often the best answer to supplying things like energy.

There is absolutely no evidence of this at all. The Department he presides over the opposite policy. Price controls bankrupt supplying companies. Then the replacement suppliers put the prices up anyway when the cap lifts. They stop investment in new gas and oil supply in the U.K. that companies would like to carry out. They end up nationalising a large energy supplier that price controls bankrupted.

They tells us the answer to our chronic energy shortage is more wind power. This year the problem has been a lack of wind to blow the windmills, leaving us in need of more gas and coal to replace it.

The Business Secretary tells us a bewildering myriad of price controls, taxes, regulatory interventions, bans on fossil fuels, carbon prices, nationalisations and subsidies are the answer. They are not. They lead directly to shortages, power cuts and big price rises. Ironically they also lead via more imports and more stand by power to more CO₂ emissions as well.