

It's the economy

After the bogus forecasts that the economy would plunge immediately after the referendum vote, with major job losses and house price falls, we are now told from the same sources there will be a Remain bonus if we give up on Brexit! There's not a hint of apology for the wildly pessimistic and wrong forecasts of the short term after the vote. There is no intellectual curiosity as to why they got it so wrong. There was no post vote recession.

Brexit is an important political change. It is mainly about our democracy and how we chose to govern ourselves. It is not going to have a visible impact on the world economy. Our future economic prospects rest much more on what our economic and monetary policy is from here.

My view is we will be better off out of the EU. That does require the election of a government that handles the economy well and promotes growth sensibly. We need to ease the fiscal squeeze as the government is indicating it will do, and we need to ease the money squeeze as well.

The forecasts that think we will grow less quickly out of the EU have been deliberately misrepresented as meaning there will be a post Brexit fall in the economy. That is not what the long term forecasts say. They think there will be a bit slower growth over a 15 year period because they think trade will be impaired with the EU. I doubt anyone's ability to predict accurately how big the UK economy will be in 15 years time. The things you need to guess to put into the models will be mainly about technology, future government policies, future interest rates, tax rates and the like. The state of EU trade would not be the main variable affecting the outcome. That trade anyway can be conducted successfully under WTO rules with or without a Free Trade Agreement. With the right policies in fifteen years time we will have shown faster growth than if we had stayed in.