

## How do we best contain the virus?

The recent world figures for deaths from the virus show Belgium continuing to lead the grisly table with 1516 deaths per million people, followed by Peru at 1099, Italy at 1052 and Spain at 1005. All of these countries have followed World Health Organisation advice and had extensive lock downs. Sweden which did allow a little more freedom rests below average for advanced countries at 720. Germany has done much better than most at 247. Brazil at 840 is below the worst despite taking a more sceptical approach to the consensus.

Most of the Asian countries have done much better with very few deaths in Taiwan, South Korea, China and Japan. Taiwan had to develop its own response early as it is not allowed by China to be a member of the WHO. It used its island position well to keep the virus at bay. Maybe the Asian SARS outbreak left better immune responses or maybe these societies were more disciplined over track and trace follow up.

I would like to see an explanation of why Belgium has suffered so much more, along with more understanding of the much better experiences of many Asian countries. It is possible the world tables are distorted by different definitions of what is a Covid death, and different levels of CV 19 testing. Clearly the U.K. and USA have found many more cases since they introduced Mass testing on a large scale. Some other countries have not tested so much and may have attributed more elderly deaths to something other than Covid.

In the UK The devolved Administrations have from time to time varied their approach from the U.K. and English one. Wales thought that a so called circuit breaker of two weeks would do well, but it did not turn out that way. Scotland was talking about eradicating the virus in the summer by being a little bit tougher, but that did not work either. It has demonstrated there is no easy answer to controlling the spread.

I would be interested in your thoughts on what has worked best, and on why there are such big differences between most of Europe and most of Asia. We still have some months to go of containment, preferably without doing too much more damage to the economy.

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## The EU Summit December 2020

The main conclusion to come out of the Summit was the new target of 55% carbon dioxide reduction compared to 1990 levels by 2030. This was reached despite opposition from Poland, seeking to defend its coal industry.

This is tough target for the EU, as the EU remains more dependent on coal for

direct and for electrical power than the UK, and cruelly dependent on imported Russian gas. Germany also has a much bigger reliance on carbon fuel related engineered products than the UK, and these are now more at risk. The reliance on Russian gas is a strategic vulnerability as well as a carbon infringement of their green aspirations. I will be looking again at what the new range of carbon reduction targets will mean for western economies and societies in future posts. What is clear from the EU's attempted rapprochement with Joe Biden's USA is they plan a strong green tie across the Atlantic. The EU has a long way to go to get to its new targets, and has various interests unhappy about the direction.

The top down green revolution will now be pressed heavily from both the USA and the EU, assuming the US courts do not change their mind about the Presidential election. Everything the EU says and does is driven by the overriding priority of cutting emissions, and their whole offer to the member states is they will lead Build Back better as top down green growth. They will be looking at a carbon border tax, beefed up emissions trading taxes and a raft of regulations, taxes and subsidies to tilt the playing field in various sectors towards the green alternative.

The Summit also considered the developing conflict between the EU and Turkey. The EU complained about the aggressive language of Mr Erdogan particularly about President Macron. The EU seeks to restrain Turkish offshore drilling in the Eastern Mediterranean and use of warships to protect their activities. Meanwhile Turkey has a lever over the EU, as Turkey is housing 3.6 million Syrian refugees, with financial help from the EU who would prefer the people to stay in Turkey.

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## [Remain economic forecasts left in shreds](#)

The Treasury and other pro Remain economic institutions told us before the vote that if we voted to leave the following would happen. There would be a big loss of jobs. House prices would tumble. There would be a large loss of output. The pound would fall. This would happen as a result of the vote – they did not say it would only happen after we had left. When their forecasts proved to be wildly wrong., they then shifted their ground and said some of these same effects on a smaller scale would happen after we have left.

So what did happen and what will happen next year?

Employment surged from 2016 to early 2020, with employment rising from 74% to 76.5% of the potential workforce, with continuing inward migration increasing the size of the workforce at the same time. The CV 19 hit still leaves it higher than in 2016 prior to the vote.

House prices continued to rise in cash terms throughout the period post the vote.

GPD growth remained satisfactory from mid 2016 until the CV 19 disaster this year

The pound fell from \$1.42 to \$1.31 shortly after the vote, but went back up to \$1.42 by April 2018. It has fluctuated since and is currently at \$1.33.

What will happen after we have left the single market and customs union?

According to official forecasts from forecasters known for their belief in the advantages of the single market, the UK economy will experience the sharpest rate of improvement in 2021 it has seen for decades. The CBI thinks we will grow a lively 6% in 2021 and a further 5.2% in 2022. Oxford Economics thinks we will grow by more than 10% next year and outgrow other European economies and the USA by a large margin.

So our first year as an independent nation will likely see a great growth rate, contrary to expectations. Of course the pandemic has a lot to do with this, but it just shows how wrong the pessimistic forecasts of the Remain forecasters proved to be. They themselves are now forecasting a much better outcome in 2021.

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## [My speech during the debate on the Taxation \(Post-transition Period\) Bill, 10 December 2020](#)

The origins of this legislation lie in the negotiations under the previous Prime Minister that introduced the whole idea of a Northern Ireland protocol. I regretted those negotiations very much. I opposed them at the time and did not vote for the deals that my right hon. Friend the Member for Maidenhead (Mrs Theresa May) came forward with, because I thought they were designed by the EU as a lever to try to delay, dilute or damage Brexit.

When the current Government asked me to support their version of the withdrawal agreement, I still had considerable reservations about the Northern Ireland protocol. I put those to Ministers, who reassured me and said, "This is only an outline operation in the withdrawal agreement as currently drafted. None of the detail has been done. We will negotiate very strongly. We will get rid of the offensive features that you don't like." They said that they shared some of my concerns and that they would come back with something much better. I am always trusting of colleagues, so I said that that was very good to know but that I did not have the same confidence in the EU.

I thought it was unlikely that the EU would want to facilitate that in the way that I and the Government would like. So with some friends, I backed my hon. Friend the Member for Stone (Sir William Cash) in saying that the way through this was to put clause 38 into the European Union (Withdrawal Agreement) Bill. Under that clause, were the EU to act in bad faith and not come up with a workable solution for Northern Ireland and the other problems, we would have asserted UK sovereignty in our version of the treaty, and so in good law we could use clause 38 to legislate in Britain for what we intend to do, overriding the agreement.

It was quite clear from the drafting of that Bill that we wanted that override, and I would not have dreamt of voting for the thing without the override. The Government were saying that they did not think we would need to use it, but we could use it if we had to, which is why I was pleased to support them earlier this week in a very modest override. It is entirely legal; it is the assertion of British sovereignty. We need to keep that in reserve, because without seeing all the detail from the Chancellor of the Duchy of Lancaster, I am not satisfied yet that we have a working operation for the Northern Ireland border and the matters that we are discussing today—more precisely, who controls the taxation.

What I do not like about these proposals is that it is extremely difficult for individuals and businesses to have to respond to two legal jurisdictions on tax in the same place, yet we seem to have both an EU VAT system and a UK VAT system. I hope that the UK VAT system will deviate rather more from the EU one and be friendlier, lower and apply to different things, but the more that that happens, the more difficult it will be if we are trying to enforce two different VAT systems in one part of the United Kingdom.

I am also concerned about the enforcement mechanisms. We are led to believe that it will be handled by HMRC, but we are also told that the ultimate authority on the EU part of VAT and excise will be the European Court, and therefore there are likely to be inspectors and invigilators—electronic or in person—interfering in the process within what should be sovereign United Kingdom territory. I hope the Government will think again and push back again.

We need more of the detail that the Chancellor of the Duchy of Lancaster has so far withheld from the House. It may be that he does not yet know it all or that his agreement is high level, in principle, but there are details that we need to know—indeed, details that it would be better to know before we legislate today. For example, the Chancellor of the Duchy of Lancaster says that delay periods for adjustment will be necessary for supermarkets and some meat products and so forth. Does that not require some kind of recognition in this legislation? Does it not mean that these jurisdictions do not kick in during the period of grace that we are told will be available?

We need to have more detail from the Government on what exactly happens at the border. I have always explained to the House and others who are not very interested that VAT and excise take place electronically across the borders at the moment, so we are talking largely about an electronic border. We need to know how this electronic border will be programmed to deal with the

competing jurisdictions and competing incidences of taxation, and how the product codes and shipment codes will correctly identify the products by category that will be suborned by the EU jurisdiction as well as, properly, by the UK jurisdiction, which ideally would be handling the whole thing.

We do not have nearly enough time to discuss the fundamentally big issues of principle that the Bill brings before us and we have had precious little time to go into the detail. It is all very sad that this rush job is being done like this, but I hope before the Government finish the debate today they will have done a better job of explaining to someone like me why we need to have this dual jurisdiction; how the EU control is going to be limited; how it is going to operate; how, in the early days, the “transitional arrangements”, which we are told about, are going to apply; and why they are not reflected in the current text of this rather unfortunate piece of legislation.

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## **No deal is still better than a bad deal**

The EU negotiations have been made deliberately complex by the EU. Beneath all the obfuscation and deliberate efforts to dilute, delay or cancel Brexit, there is a simple disagreement. The U.K. says we will be an independent country like Australia or Canada. We offer a Free Trade Agreement which helps both, offering more to the EU as they are in huge surplus on trade.

The EU says we need to be bound into their laws and controls, and surrender our fish if we want a Free Trade Agreement. In that case the answer must be No Deal. We should not compromise our independence.