

Free trade and national security

As a free trader I think it is usually a good idea to specialise and then to buy in the goods and services you do not produce yourself. All individuals practise this, relying on the supermarket for our food and the power company for our electricity. They are better at those, with economies of scale, whilst we earn a living as best we can.

It can be true for many things for a nation . There are, however, some obvious limits. It would not be a good idea to rely for your defence on importing war supplies when you need them from countries that may be on a different side in a conflict. It is probably a good idea to produce enough food at home so we do not starve should there be some major disruption of global trade.

The UK needs to reassess its national resilience and ask if it has become too dependent on the goodwill of foreigners to supply many of the things we need. Some things ought to be easier to supply from local sources. Water, quarried stone, many other building materials, timber and energy are heavy and expensive to move around, so going more local could make economic sense.

How would you arrange our affairs so we have more of the essential capabilities and technologies an advanced nation needs?

I have written to the government proposing an energy policy that puts self sufficiency at its core. I will take up the issue of more home grown trees leading to more home grown timber, as the government is already committed to the costs of more trees. We need to turn this into a sustainable resource cutting the need to import substantially.

Importing bottled water looks like a bad idea environmentally as well as Economically, so where are the U.K. entrepreneurs who can win the battle of the bottled waters?

The U.K. government controls a lot of economic activity which gives it power as a buyer to organise competitive procurement that can stimulate U.K. activity in the chosen areas. It needs to learn from the NHS experience with procuring protective clothing, drugs, and medical equipment in the pandemic. It can doubtless improve on its experience then. It relied too much on possible foreign supplies which let it down, and ended up paying expensively for more domestic output in a hurry. Longer term planning and working with suppliers who can match world prices for sustained orders is required.

New primary school for Wokingham

I have received this letter from the Department for Education:

Dear Sir John Redwood

Statement of Intent for a new primary free school in Wokingham Town (Matthews Green area), Wokingham

I am writing to inform you that The Keys Academy Trust has been given Secretary of State approval to sponsor the new free school, which is proposed to open from September 2022.

Wokingham invited proposals from potential sponsors under section 6A (the 'free school presumption') of the Education and Inspections Act 2006 (referred to as 'the Act'). Following the local authority's assessment of the proposals received, the Secretary of State has agreed, in principle, that sponsorship of the new free school be awarded to The Keys Academy Trust.

With effect from May 2015, all new schools established under s6a of the Act have been classified as free schools. The school is not required to use the term 'free school' in its name, in line with practice within the department's centrally managed free schools programme.

Letters have also been sent to the DCS of Wokingham and The Keys Academy Trust informing them of the decision.

Yours sincerely

Dame Kate Dethridge

Regional Schools Commissioner, North West London and South Central

The pound rises to \$1.30

We hear a no deal exit is still likely, with the UK rightly declining to make the unreasonable concessions the EU wants. All those Remain commentators need to explain the current strength of the pound against the world's main reserve currency, as they are ever ready to blame Brexit when the dollar is strong.

Making our defence

Yesterday I defined some of our defence needs. Today we need to discuss how we carry this into effect.

Central to our defence against a major challenge lies our membership of NATO. NATO is our best protection against another world war. It was born of the experiences of the twentieth century where it took massive alliances to defeat a powerful common enemy on two occasions.

Those bitter experiences also taught us that the UK herself needs great resilience in technology and weapons production. The UK economy in both wars had to be transformed to divert massive amounts of production to the manufacture of warships and planes, weapons, ammunition, uniforms and the rest to maintain and supply mighty forces. As a major assault was made against our supply lines through submarine action, the point was reinforced that we needed to grow our own food and make our own tanks because imported ones might be sunk before arrival or would not be available from their old suppliers.

In the second world war the industrial achievement was huge. Not only did the UK have good designs of its own for some planes and ships, but it was soon able to make large quantities to replace the heavy losses of the war of the Atlantic and the battle of Britain. We also worked very closely with the USA and needed supplies to cross a dangerous Atlantic.

Today we should review our domestic capability and improve plans to scale up output at home should peril ever face us again. If you wish to defend yourself you have to allow for the loss of some allied support and capability, and need to have under your own control the crucial components and sinews of war. It is no good relying on long supply lines and imported components or ammunition should with our allies we face again a major enemy. Such a review will offer offsets to the state deficit through more employee and business taxes on the extra domestic manufacture, and will help cut the balance of trade deficit as we reduce our imports.

Defending our nation

The world has been mercifully short of wars for NATO in the last few years. Mr Trump's decision to disengage from hot war in the Middle East has made a difference to the demands on our armed forces, after years of war in Iraq, Afghanistan, Libya and the wider Middle East. This does not mean the world has suddenly got less hostile, or we can afford to relax our guard and save our money on defence.

At the end of the Cold War the UK and other allies did cut budgets substantially because the threat of a possible major conflict in Europe against the USSR (Russia) reduced. Today we do not seek or anticipate conflict against Russia or China, but have to acknowledge that both those relationships can be testing. Needs may arise that require the West to show resolve to defend itself and its allies were the peace of the world to be threatened somewhere by some nation.

There are state and serious organised crime actors in today's digital world regularly testing our ability to defend and secure our systems, with challenges to data and phone networks and utility networks coming from afar. We need to spend enough to stay ahead in the cyber world, capable of defending our position and probing hostile systems.

As a believer in free trade and a leading member of the WTO the UK needs to make her contribution to keeping the shipping and air lanes of the globe free for legal commerce. There are pirates and terrorist forces to tackle and possible hostile state actors to impress with our intent and ability to keep international waters and airspace free. The U.K. also needs to understand other countries in the world may seek to exploit our belief in free trade and democracy for their own advancement. We should not be naive or one sided free traders.

As a maritime country with an important fishery we need vessels and aircraft to police and protect our fishing grounds and to prevent smuggling and people trafficking through our waters.

We do need to spend enough on our own protection. I will be developing how in future blogs.