

National resilience

Yesterday in the Commons the Culture and Digital Secretary announced a change of policy for the roll out of 5G mobile telephony. Following new official advice on national security , the government decided to ban Huawei components in the 5G network from the end of this year, and to work away to remove Huawei altogether by 2027.

The government accepted this would delay provision of the new network by between 2 and 3 years and could cost an extra £2bn. The Minister given the job of explaining this stressed that national security must come first, so this was a necessary price to pay.

This was a crucial moment in the evolution of UK policy. It marked a decisive departure from the pro China approach of the previous 15 years, where buying more than whatever the degree of sensitivity of the product or component was fine. Our policy towards China was based on the proposition that they would do us no harm and be there for us when we need their supplies. It was a grand partnership where we became more dependent.

The immediate trigger was a tougher US stance limiting Huawei's ability to make and export. The further deterioration in the relationship over Hong Kong, the treatment of minorities in China, the aggressive approach to the South China Sea and the action on the Indian border also influenced the decision.

The UK needs to have enough control over strategic networks and over crucial intellectual property for our wider security. Immediately the UK needs to catch up with the leaders in mobile telephony.

Green grants come home

I am urging the Chancellor to say that anyone undertaking home insulation, buying double glazing, improving the energy efficiency of their homes should be able to claim one of the new Green grants for work underway since the announcement.

The Chancellor proposed £5000 per household by way of a grant to cover a possible two thirds of the cost of green energy projects undertaken. The short term problem is people are delaying or cancelling projects they were planning until the terms of the grant are clear and they can apply to get the money. More is on offer to people on low incomes.

It is one of those ironies of life that an intervention in the market designed to be good news to boost certain kinds of home improvement should

lead to cancelled work owing to understandable delays in setting out the detail of the scheme. All can be put right by a helpful immediate statement, allowing applications for grants to follow commitment to the work this week. This will keep the orders flowing for an industry just trying to get over lock down and temporarily closed businesses.

Yesterday evening the Commons approved the Bill to cut Stamp Duty. There, contrary to some press stories, the government brought the measure in straight away and legislated afterwards. Otherwise the big temporary cut in Stamp Duty would have set back the housing market by putting people off buying until the tax cut came in. It is good news for first time buyers and for those wishing to trade up their primary residence that no Stamp Duty is payable on £500,000 of any purchase. This means 90% of all homes will be Stamp Duty free for those buying them as their prime residence.

Freeports and growth

Today the government's extended consultation on Freeport's closes. It is time to press on with this excellent idea to boost investment growth and trade.

The old idea of a Freeport was a limited land area around a seaport where planning controls were relaxed to encourage and allow value added processing of imports for their re export as finished goods. There could also be tax incentives to boost activity further.

Today we should be thinking of the virtual Freeport spreading out further from a seaport or airport to create an economic zone or area dedicated to manufacturing and adding value added through services to foster exports tax free. The free port zone could also be a place to manufacture or add value to goods and services for the home market, where any tax and regulatory compliance took place at the time of completion and transport to market.

I would like these wider zones to offer a five year business rates holiday, entrepreneur's relief from CGT, no Stamp duties and of course no VAT or tariffs on anything for re export. We need these industrial development zones in all parts of the country, so let's press ahead with 10 straight away with good geographical coverage.

Finding freedom

To some the full relaxations of rules imposed to fight Covid 19 cannot come soon enough. I have varied complaints from people who strongly object to what

they call house arrest. They think it would be better to isolate people with the disease, and offer support to allow people most vulnerable to the disease to limit social contacts, rather than asking most of the population to stay at home. To them freedom is the freedom for the many to have a social life of their choosing, to travel as they wish, and to run their businesses as they see fit. They argue if we do not get back to this soon there will be unacceptable economic damage.

To others freedom is the discovery that they can work from home, draw their full salary, and avoid the 3 hour return commute each day. They say their lives have improved. They are no longer dependent on the erratic goodwill and competence of the train companies, and no longer have to push themselves into a crowded tube train or onto a bus to complete a city centre journey to work. They can mind their house, receive deliveries, see more of their children and still do their job using on line facilities. They say there can be compromise between fighting the virus and getting the economy moving. They want new working practices which can pay the bills and keep people safe.

To some the idea that their every move may be tracked, and they may be subject to a tracing system requiring them to self isolate because of a chance encounter with someone who had the disease is an unacceptable intrusion into their lives. They are suspicious of how likely you are to catch it from casual contact. To others a proper track and trace system is essential to give them more chance of escaping the virus. They wish to be free from disease.

So where does freedom lie? Have the anti Covid 19 measures simply taken freedoms away, leaving us with arguments about how successful this is in controlling the virus? Or are there some compensating freedoms some have gained? What should the new world of work look like?

Universities, free thought and peer reviewed research

Some universities are said to be in financial trouble. It has arisen because they have expanded, offering many places to overseas students, only to find that model poses difficulties at a time of retrenchment for international travel and exchange. Over reliance on Chinese students could be especially difficult. The deteriorating relations between the West and China over civil rights in mainland China, the new Hong Kong law and the intellectual property issues may put some Chinese students off coming . It would be good to hear from the university representative bodies what they think about the extent of China links, and how they respond to the current Chinese policies on human rights and intellectual property.

Universities have also entered the academic end of the leisure and

entertainment business, offering informative conferences during the breaks between terms. These have stood empty for months with a substantial loss of income. They have invested in student accommodation, which has also been without tenants during the lock down period, leading to further income shortfalls.

The university establishments receive substantial research grants from governments, and some from companies for research that their sponsors wish them to carry out. The system of peer reviewing is said to be a strength, where research is assessed by other experts in the field who have the power to publish and recognise it or to mark it down and keep it out of the respected journals. Having a quality control in one sense is a good idea. There is however the danger that it encourages me too thinking, where a younger academic has to proceed around the work of a better established academic, without challenging the foundations of what the elder was doing. It can create groups of like minded people training up a new generation to think the same.

It also knocks on to governments procuring research. The senior academics are likely to influence the grant awarding and commissioning bodies in the public sector, pointing them in the way of research that bears a family resemblance to what they have already done. It can just be a case of the academies corralling around their fashionable theme or theory, seeking to prove it and extend it, whilst keeping out any serious challenge to it.

Government should look carefully at what research it is commissioning. There is no need to commission more research to extend or prove things academics claim to know. There is more need for research which pushes the boundaries and challenges some of the tired assumptions of current thinking.