

U.K. trade booms

I keep reading nonsense that says our trade has fallen owing to Brexit.

The latest official figures tell a different story. U.K. exports grew by 50% between 2016 and 2023. That is well ahead of inflation. It was led by a 70% increase in services, the largest part of our export total. Exports of goods rose 31% in cash terms.

The U.K. has been reducing the share of its trade with the EU over many years, both from within and from outside the EU. The U.K. has embarked on a major net zero transition which leads to making far less where manufacture needs fossil fuel as energy and feedstock. This affects goods exports to anywhere in the world.

Since Brexit the U.K. has leapfrogged to second largest exporter of services after the US. We have also benefited from a surge in inward investment into greenfield projects. We were the third largest recipient of greenfield FDI over the last twenty years, and have risen to second in 2021 and 2022. In 2022 the U.K. attracted 3 times as much as Germany and 4.5 times as much as France.

In the Brand Finance index of soft power the U.K. has risen to second place since leaving the EU. That is not surprising as the U.K. has regained its place and vote at the WTO, joined the TPP, helped set up AUKUS and been an important leader of NATO after the US.

Check the Lib Dem “facts”

Lib Dem's revel in false “facts”. Everywhere I go I see large signs saying “Lib Dems winning here”. On past form and present polls in a majority of these cases it will be a lie as they will lose again. It is a bad form of lie, the self serving lie. They think people will vote for them if they pretend lots of others will. Very often most people have no wish to vote for them, so learning they might win is not going to change it.

Their latest national leaflet tells me “Labour are in third place in large parts of the country”. Not in the polls the rest of us read.

It says they will “double nature” by 2050. What does that mean? How? Surely their actual plan is to convert more farms to solar and wind installation and put up many more pylons for grid, industrialising the landscape.

They say they “will bring down household energy bills by taxing the profits of gas companies to deliver the savings”. How? Surely charging more for gas

to pay the tax puts our gas boiler bills up? There is no policy to give us free heat pumps to stop us burning gas. No policy to avoid power stations burning gas when the wind does not blow.

They say they will “deliver real protection for people against rising mortgage and rent payments”. As a party that pursues more regulatory controls on landlords leading to less rented accommodation I do not see how that works. Mortgages are mainly determined by the Independent Bank of England, an institution they support. So how would they get rates down?

It is high time Lib Dem's were more thoroughly fact checked. They combine self serving endless messages about how they think people are going to vote with wish lists detached from reality.

I see green Ed took an internal flight the other day. He should practice what he preaches about modes of transport. He did not have to organise such a long distance tour criss crossing country in a way designed to maximise the use of fossil fuels.

Selective undercover reporting

Nigel Farage was right to condemn the statements of a Reform volunteer filmed by an undercover Channel 4 team. He was also right to ask about who the man was and why he volunteered for that particular canvass.

The media is very selective about where it goes for under cover reporting and what facts it is keen to check. It is right to condemn racist and homophobic language. I do not recall undercover reports into anti Semitism in the Labour Party though that has been a worrying problem. There has not been much undercover reporting of extremist Middle Eastern terrorist groups operating in the U.K.

The BBC and mainstream commercial media have been keen to fact check Brexit and Trump supporters. They are far less keen to fact check net zero campaigners or campaigners for more money for public administration and Councils. When Labour and Lib Dem's say we can decarbonise more quickly what checks do they apply to these unlikely claims? When they say renewable power is cheaper why don't they point out this usually excludes grid, back up and green tax costs? Why do they allow people to go unchallenged who tell us closing our oil and gas cuts CO₂ when importing LNG instead increases it?

Nor will the mainstream media allow a rational debate on the disastrous run of Bank of England, Treasury and OBR forecasts. Their wrong inflation forecasts gave us an unnecessary high inflation followed by a small recession. Their wrong deficit forecasts stifled a growth policy and fuelled austerity.

When Councils are pleading poverty why do the media never give the actual large total cash sums paid to each Council along with the substantial up lift each year?

The Reform phenomenon

Recent polls show Reform just a point or two behind the Conservatives, with one showing them 3% ahead. They are the clear winners of the election campaign if you believe the polls.

The polls show both Labour and Conservative weakening a little over the campaign, with Labour sometimes dipping below 40% and the Conservatives struggling around 20%. In 2017 in the election the Conservatives polled 42% and Labour 40%, a combined total of 82% with no majority of seats for either. Instead today their combined total is around 60% but Labour is forecast to have a huge majority of MP s. Why?

There is a frustration that the two parties are so alike. They both backed COVID lockdowns. They both backed printing large sums of money which proved inflationary. They both back OBR orthodoxy which makes a growth policy difficult. They have both presided over large increases in NHS waiting lists, Labour in Wales and Conservatives in England. They both backed the Windsor framework limiting the opportunities of Brexit. Neither proposed a good pruning of EU bureaucracy and regulations. Both allowed large scale migration.

Reform have tapped into these frustrations, but have not proposed answers that can right the wrongs. Their answer to the Bank of England disasters is to impose a £35 bn tax like charge on commercial banks . Why don't they demand an end to the colossal Bank losses coming from needlessly selling long bonds at a loss? That would save a lot of money for tax cuts.

Their answer to the small boats is to turn them round or send them back. Border Force say that is impossible and refuse to do it. Lawyers are ready to show it is illegal. France refuses to let the people land. Reform want lower legal migration, but that is now at last government policy. They could identify the further categories they would ban or restrict.

Reform have taken up scrapping IR 35 and raising the VAT threshold for small business, ideas I spent the last Parliament promoting. I agree with those.

Reform want proportional representation. I disagree. Whilst our system can mean the majority have to put up with a government that only got 43% of the vote the system has two big advantages over PR. We elect a named MP for a constituency which makes MPs much more attentive to local views and needs. A government has the votes to keep its promises so we can judge them at the next election. PR systems usually bring weak governments. The parties form a

coalition by ditching the promises to voters that got them elected making accountability difficult or impossible. The result of the combined actions of Reform and the One Nation Conservative leadership if the polls are right will be to visit on us a Labour government that may have a lower vote share than Labour led by Jeremy Corbyn gained in 2017 but have a large majority of MPs giving it a lot of potential power if it can keep its party together.

In search of cheap power

So far the UK's ambition to be the Saudi Arabia of wind has put in an impressive 29GW of capacity. On a good day when there is plenty of wind and total demand is only around 30 GW this might deliver half our power needs. On a day of low wind, and when winter demand is over 40GW it might be 1-2%. It is true the cost of supplying the capacity and therefore of the power has come down as turbines have been scaled up and their capacity cost has fallen. Since 2010 levy support and contracts for difference have cost us an extra £80bn plus for renewable power (to 2023). Current electricity bills are around £100 higher thanks to green levies.

Labour and Lib Dems say we can switch over to all no carbon electricity by 2030 and that this will be cheaper. Both these claims seem unlikely. Labour say to get to all carbon free they need to install an additional 87 GW of capacity, allowing plenty of margin over the demand of 30-45 GW depending on time of day and weather. As most of this will be wind, and as the sun does not shine during long dark evenings and early mornings in winter it will still require stand by gas generators and all those interconnectors to import. The truth is we have already become very import dependent, with imports at over one fifth of our needs even on sunny low demand summer days when the wind dies down. We have been closing fossil fuel stations down before having the renewable reliable capacity (with storage) to replace them

There seems little likelihood that the UK can plan, permit and install anything like 87 GW of renewable capacity in the next six years. The last auction to supply capacity did not go well as the prices offered were unattractive. The lesson was the Regulator needs to allow considerably higher prices to get companies to come forward to offer new capacity. Investors are going to be wary of the opportunities given the history of windfall taxes, price controls and changes of policy. These are all likely to get worse if we have a change of government to Labour.

Labour and Lib Dem buy the idea of cheaper power because they assume gas prices will climb higher and stay there, so wind energy looks cheap in comparison. Instead in recent months gas prices have retraced most of the giddy climb they experienced when Europe determined to get rid of its dependence on imported Russian gas and the Ukraine war sent the price spiralling. Hitting a peak of £6 a therm, it is now back to 80p.

The amount of capacity they envisage would also require a large expansion of the grid with pylons straddling many more landscapes.