

That Rachel Reeves Lecture

I will spare you a party political response to the Reeves Mais lecture. Various journalists have described its vacuity, verbosity and timidity. I want to set out the big issues that directly affect UK growth, productivity, jobs and incomes that she ignored or knows nothing about.

1 The big role of the Bank of England in creating the instability in inflation and output she condemns. A Bank which buys up £845 bn of bonds to keep money too loose is bound to cause inflation. When it then goes on to hike rates and to sell £130 bn of bonds at big losses it is likely to sabotage growth. She supports this wayward conduct.

2. She rightly criticises poor UK productivity. She fails to reveal the collapse of public sector productivity since 2019 or to show UK private sector factories have competitive productivity. Not a single proposal for turning round public sector productivity.

3. The labour market is talked about with no mention of large scale migration. Will she join me in wanting to ban work permits for migrants to fill low wage vacancies? Will she back government plans to cut legal migration by 300,000 and demand they go further?

4. She sees green investment and jobs as central. How much would her accelerated net zero policies cost? How would she avoid creating many new jobs in China that has cornered the market in big batteries, turbines and solar panels? How would she keep the lights on? Is she going to make us all go electric?