

## The Prime Minister makes 2 big mistakes in his speech

The Prime Minister made a pessimistic uninspiring speech yesterday around the theme of "things will get worse".

It was a big mistake to tell the nation he now leads we are living in a rotten society. He blamed all of us as well as the last government and told us off for being divided and rotten to the core. As someone given a large majority on just one third of the vote it is a bad idea to attack us and tell us he has to stamp out our divisions and lock up those who are leading the rottenness.

It was an even bigger mistake to tell us he will make changes that will make things worse, as some necessary purgative for our societal breakdown. Governments should not set out to make things worse, as they might succeed. Then they will be to blame for the bad condition of society and may find it difficult to restore better outcomes.

I have one bit of advice to a PM and Chancellor who say they are now going to do things they do not want to do. Do not do them. No one is making them cut benefits to pensioners or put taxes. If they want to give big pay rises they need to link this to productivity where even the Treasury says £20 bn has gone missing. If they want to spend more on their nationalised industries and net zero they need to cut the Bank of England losses to pay the bills.

It is never a good idea to do the wrong thing. Lower income pensioners need their fuel money. Higher taxes on investing and business will slow growth, cutting revenues and giving us a bigger black hole.