

The Treasury and Bank will make the economy worse

The Bank and the Treasury have decided to take it out on us because they allowed inflation to go too high. The latest forecasts from The Bank suggests the growth of the economy will slow to zero and unemployment will rise. Both organisations are reaching for their austerity playbooks when they should be looking to help expand capacity and offset more of the real income falls.

The government needs to wake up and tell them they are wrong. The Chancellor should stop the tax rises and explain to Treasury officials why their debt and deficit based advice is wrong and will make the deficit worse, not better.