[The UK economy has been let down by the Bank of England, not by Brexit]

Mr Carney blames Brexit for the current high inflation. This is the same Mr Carney that predicted on Brexit house prices would fall when they rose, that unemployment would rise but it fell, and GDP would decline when it went up. Funny he now just blames it for inflation when the EU has the same high rate as us, and the USA is not far behind. The pound did fall against the dollar in recent years, but so did the yen and the Euro, so it is even difficult to blame that on Brexit.

Truth is the EU, the UK and the USA have this in common. All three have Central Banks which kept interest rates close to zero and printed huge quantities of euros, pounds and dollars. They used the extra cash to buy government bonds at ever crazier prices to keep longer term as well as managed short rates very low. No wonder we have inflations. Most of the Central Banks now blame Putin’s war for the inflation and its impact on energy prices. The Fed sees blaming Brexit would look silly. The trouble with blaming energy prices is Japan, China and Switzerland also import plenty of energy at world prices but they have inflation at 3%, not 10%. Could that be because they did not bloat their money supplies as the UK, US and Euro area did?

Now the Bank of England repents and threatens to overdo its tightening after being far too loose for too long, the Treasury needs to offset undue severity by the Bank. Far from putting up taxes it should selectively be cutting them to make the UK more competitive and attractive to capital. Some lower rates produce more revenue. Nor should it be slashing productive capital investment, as we need the public private partnerships and the new infrastructure to power growth. The Chancellor and PM need to resist a remorse or revenge budget strategy by authorities who got 2021 comprehensively wrong and have created an inflation as a result. Inflation was almost three times target before Russia sent troops into Ukraine.