# <u>Will One Nation Conservatism save the</u> <u>government?</u>

I see debate about disagreements within the Conservative party. It is true there have been important debates in recent years over lockdowns, money printing, migration levels, Brexit wins, ways of controlling small boats, tax levels and other issues of great interest to voters.

It is also the case that over the last year those who wanted changes to economic and borders policies and to Brexit implementation did not challenge the leadership, put in letters or seek to undermine Ministers. There were discussions with Ministers who decided it was best to run a largely One Nation policy. Ministers argued that the threat to the Conservative party came from Labour and Lib Dems to the left so it was important to move in their direction. They wanted to improve relations with the EU, follow international law as interpreted by internationalists, follow Bank and OBR orthodoxy and regulate more against possible harms. Critics of these views accepted they had lost the internal argument and supported the leadership going into an election.

Self styled One Nation Conservatives have been very vocal in recent years, arguing that the Conservative party and government was correct to shift to the left to command more support. George Osborne from outside Parliament joined with Michael Gove inside to promote this.

In government both the current Lord Chancellor and Attorney General have been insistent in taking an international lawyer's view of Treaties based often on a very debatable view of their impact. This has led to impediments to controlling borders and sorting out the EU's role in Northern Ireland. Counter proposals by former Attorney Stella Braverman and past Migration Minister Robert Jenrick were turned down. The Home Secretary rejected the idea of strengthening the law against legal challenges, favouring the One Nation approach.

The One Nation Chancellor has preserved the EU originated debt control, trusting OBR 5 year out numbers that are likely to be wrong to constrain the tax cuts needed for faster growth. He has implemented a conventional programme of fiscal consolidation claiming this is necessary to create stability. He rejected ideas of asking the Bank to control its bond losses, to speed restoring lost public sector productivity, and to cut nationalised industries losses. These spending cuts would have allowed cuts in small business, self employed and income tax.

The One Nation Foreign Secretary has sought to please more overseas countries and international quangos. The U.K. has continued to negotiate at the World Health Organisation which is wanting to take powers over the NHS, when there was considerable opposition to ceding power. He has shifted to the EU/Spanish view on Gibraltar and has cosied up to the EU and Ireland by building on the Windsor framework.

The government put through various regulatory new laws which were supported by Labour. It abandoned wider ranging repeal and amendment of inherited EU law.

It means we will have a good test of the argument that the way for the Conservatives to win elections is to have plenty of One Nation representation around the Cabinet table and to follow consensus and internationalist policies on the economy, taxation, migration, regulation and our international relations. In a week's time we will see if this approach did win more votes for Conservatives, or whether it left the Conservative vote too vulnerable to the Reform challenge based on their tougher approach to border control and based on a lower tax growth model.

## Please stop sending nasty nonsense

All the time I was an MP I posted critical comments of government, Conservatives and myself that were often misleading or inaccurate to show balance. I deleted attacks on any named individual of whatever party , offensive material and some multiple or over long postings. A few people used to write in criticising anything I wrote, often straining truth and twisting arguments to do so.

A few still do not seem to have understood I am no longer an MP and hold no Conservative office or role. So stop writing in as if I did. One, for example , told me I had to carry on being an MP until Election Day. I explained I ceased to be an MP on dissolution. He then wanted me to post further criticism saying I should still act as an MP until the election. The rules are quite clear. I should not pretend to be an MP. I have cleared my Parliamentary office and handed in the key. My pass to Parliament has been cancelled. I must not use headed stationery saying I am an MP or use Parliament as my address. I no longer have access to send emails as if from Parliament.

If you want to post here add to the debate about policy. I will not post incessant vendetta contributions based on falsehoods.

#### Labour aims for sustained fast growth

The Labour Manifesto is based on offering the best sustained growth in the G7. That means transforming our growth rate, which has been one of the better slow growth rates that characterise the main European countries, to surpass

US growth which has been in the fast lane. I admire the ambition but do not think the policy proposals that accompany it will get anywhere near delivering.

If we want to start catching up with the USA we need to recognise how far we and the EU have fallen behind. EU GDP per head, lower than U.K., is just half the US level. US growth has been around 2% a year in recent years with Europe below 1%.

If we want to overtake the US growth rate we need to consider

- 1 Switching back to Common Law as we now can. EU Code law is too restrictive and anti innovation.
- 2. Expand our private equity, angel investing, self employment and small business sectors by a more positive regulatory regime
- 3 Cut taxes on incomes and enterprise. The US has no federal Inheritance tax and an estates tax on assets above \$13 million. 32% Income tax only comes in at \$191,000 a year on the marginal earnings, and the 37% top rate at \$609,000.Capital Gains is at 15%.
- 4. Halve the cost of energy. US energy is much cheaper owing to a willingness to find and extract their own domestic gas and oil.
- 5. Onshore more industry and investment as the US is doing
- 6. Government to promote and be a customer for an expanded tec and semi conductor industry,

The U.K. to generate this high growth rate could attract more business investment and raise more business revenue by putting Corporation tax down to 15%

#### Net zero needs to be a bigger issue

According to the polls once again the Green Party will poll badly. There is little appetite for their attacks on cars, gas boilers, industrial activities in the U.K. and the domestic oil and gas industry.

The Conservatives have been changing their policy, accepting that the public is not willing to buy heat pumps and electric cars on the scale Greens think necessary. They have shifted back dates for transition though left in place taxes on car companies that sell too many petrol and diesel vehicles.

Labour have backed an improbable idea of closing down all our gas fired power stations by 2030 but have cancelled the idea of ending gas boilers by 2035. Reform say they would stop the spending on net zero transition as they do not support this.

Lib Dem's are closer to the Greens but wish to talk about other things. They

major on being against sewage discharges to rivers, offering fines on companies and regulation which we already have as their answer!

Many voters think the climate does change but are not ready or able to buy electric cars and heat pumps. They are concerned if the U.K. closes down its industries and oil and gas extraction only to rely on imports based on fossil fuels.

So the road to net zero is on the ballot paper. Will it impact the overall result?

### What does a growth policy look like?

Labour, Conservative and Reform on 80% of the vote want a growth policy. Greens and Lib Dem's are not so sure.

So what do we think of the ideas for growth?

#### Taxation

Countries grow faster that set lower tax rates. Ireland has shown how to hoover up overseas investment by setting a low rate of business tax. They collect so much more per head as a result. The U.K. had many more self employed before bringing in IR 35 tax. More self employed means a more responsive economy and a bigger nursery for growth businesses. High taxes on wealth, savings income and gains drives rich people away and assists a brain drain. The more you tax Non Dom's the fewer rich people stay to pay. If you introduce so called Windfall profits taxes and forget to take them off when the windfall dwindles you put companies off investing or even coming to your country.

If you want faster growth you need to be realistic about progress to net zero. Charge high carbon and emissions taxes and you close factories and power stations. Ban fossil fuel products too soon and they will be made somewhere else. Keep your own oil and gas in the ground and you will import your fossil fuels, losing well paid jobs and tax revenues at home.

If you want faster growth you need to keep regulations under control, leaving companies free to direct themselves more. Common law systems work better than code systems, allowing you to do anything you like that is not banned where Code systems only allow what the lay down.

There needs to be a sector by sector review of damaging taxes and over the top regulation. The government needs to get better at buying things, encouraging more U.K. supply by its purchasing. It needs to switch farm subsidies from wilding to food production. It needs to take back control of more of our fish and promote a bigger industry. The vast national forests need to grow and harvest more softwood. Steel policy needs to change to keep

U.K. blast furnaces. We need to build a new fleet of medium sized nuclear power stations and urgently commission more gas generation back up. We need to get more of our own oil and gas out of the ground in place of imports. We need to expand our water and waste water capacity.

That is a few of the things that would speed faster growth.