

How could we have a smarter railway?

There was a lot of interest yesterday in the history and performance of the railway. I was asked what would I recommend.

I voted against HS2 and would complete as elegant an exit as possible whilst of course completing the section to Birmingham currently under contract. I would accelerate the introduction of digital signals which increase capacity substantially and improve safety.

I would break up Network Rail, reuniting track and trains around mainlines into London terminuses as franchises fall in. The regional or line companies created could be opened up to private capital progressively on new and different franchise terms. All these companies would be subject to open access challenge. Freight companies and challenger passenger companies could compete for the increased number of track slots available. If any regional/line co sought to exclude from reasonable access there would be an appeal to the Regulator who would be under a duty to allow fair competition.

The nationalised railway loses too much money with poor service

The present debate about whether to nationalise the railway overlooks one crucial fact. In 2002 Labour did nationalise all the track, signals and stations and ensured a public regulator controlled timetables and many fares for the residual private train companies. Since then several of the train franchisees have given up and the state has taken over. It is not easy to run a private rail company if you cannot get the track slots you want, if the track and signals provider lets you down too often with track and signals faults, and if the timetables required do not conform with demand patterns of passengers.

If there was any doubt about the failure nationalisation can bring you then consider the case of the entirely nationalised HS 2. There over paid public sector managers spend their way through huge sums of donated public capital, happily overrunning agreed budgets massively and progressively announcing delays to the arrival time of London to Birmingham and putting off the start time for the northern routes.

Network Rail states the value of the track, land and buildings at £82 bn but after 22 years of its management taxpayers only have £15 bn of net assets left. Network Rail has lost us money and taken out £53 bn of loans courtesy of a taxpayer guarantee. Strange how this justified high pay and bonuses. It looks like the work of a bad hedge fund, taking over great assets then

borrowing and borrowing on the back of them, lumbering itself and us as taxpayers with huge interest bills.

There is plenty of bad commentary about this nationalisation idea. Margaret Thatcher with myself as her adviser did not privatise British Rail. When John Major did he rejected my advice on how best to do it.

MPs in trouble

This Parliament has seen a surge of cases against MPs. There are now 18 MPs sitting as Independents because their parties no longer support them. 8 were Conservatives, 7 were Labour, 1 was SNP, 1 was DUP and 1 was Plaid. Looked at as percentage of MPs elected that means that 25% of Plaid MPs, 12.5% of DUP, 3% of Labour and 2% of SNP and Conservative MPs elected are currently suspended.

There are many differences in why they lost the whip. A few are on suspicion of criminal activity. Some said inappropriate things. Some behaved badly in their private lives though did not break the law. Some we are not allowed to know why Labour suspended them. Matt Hancock undertook a tv programme in the jungle.

The process for dealing with these very varied cases serves neither the public nor the MPs well. It is wrong for the public if an MP has broken the law or behaved badly but stays on for many months pending some action, in some cases barred from coming to the House. . It is wrong for the MP if it takes many months for Parliament to conclude the accusation was false. Whilst these matters deserve proper investigation it is in everyone's interest that decisions are speeded up.

Where the argument is over something the MP said or over actions that are not criminal the best judges are the electors at the next election. Where the accusations are about serious crimes the police and CPS are the judges of whether to bring a prosecution.

What difference to net zero and the economy would a Trump or Biden second

term make?

As readers know I do not express views about who should win elections in foreign countries, nor usually comment on which potential government or President would be best.

It now looks very likely that Mr Trump will gain the Republican nomination and Mr Biden the democrat at the conventions in the summer. . Polls for the Presidential election itself show both Mr Biden and Mr Trump as relatively unpopular with the wider electorate. They also quite often show Mr Trump a little ahead.

It is therefore a good time to ask what would a second term Biden Presidency look like and how would it contrast with a second term Trump Presidency?

With the current President we should expect him to continue with his economic policy based on the Inflation Reduction Act subsidies and the CHIPS Act. He will want to attract more semiconductor and digital investment to the US, and offer tax breaks and subsidies for green growth. He will be happy to see higher taxes on the very rich and on big business. He supports minimum tax levels globally on these groups.

Mr Trump will wish to renew his big tax cuts where some are due to retire, and will also wish to onshore more investment. He will renounce the Paris Climate Agreements and will promote more cheap oil and gas from domestic sources. He will cut green subsidies and regulations. This will make a big difference to the world policy of decarbonisation. With China and India continuing to boost fossil fuel output and use, joined by the USA, Europe will be lonely with its anti oil and gas policies.

The UK and Europe need to ask themselves what are they going to do about the drive to use more fossil fuel in India , China and many emerging market economies? It makes no sense to close our industrial plants only to import from high CO₂ producing countries. It seems very unlikely the world can hit its targets for 2030 for CO₂, as fossil fuel use continues to increase. Even under Biden the US has added to her output of cheap oil and gas. If the USA joins in with more fossil fuel it makes it even less likely targets will be hit. When are the international target setters going to confront the truth about India, China and other large emitters? Are they happy with President Biden adding to US oil and gas output? What would they do if Mr Trump becomes President and renounces the plans. ?

St George's day

Today we celebrate England. We also remember England's greatest writer,

William Shakespeare. Both have given so much to enrich the world. England pioneered Parliamentary democracy and fired up the prosperity from industrialisation and freer trade. Shakespeare captured so much of the human condition that his plays are as relevant today as 400 years ago.

We live with asymmetric devolution in the UK. Labour's model gave devolved governments to Scotland, Wales and Northern Ireland. They wanted regional assemblies to break up England, but voters rightly rejected these.

The EU always refused to recognise England, also wishing to break it up into unloved regions. Most of us in England have affinity to our town or village and to our county but not to a region.

I live in Wokingham. We do not feel we belong to "the rest of the south east" or to the Thames Valley or to Berks, Bucks and Oxon, in ways government sometimes lays down.

This is all unfinished business. Today is a day to remember what is good and best about England, which has survived much in the struggles for freedom, democracy and prosperity.