Desperate Lib Dems threaten to cut off NHS cash

Vince Cable and others want to amend the Finance Bill to stop the government being able to collect taxes needed for the NHS and other purposes unless the government do what the Remain MPs tell them to over the EU.

There seem to be no limits to the extreme actions these MPs want to take to thwart the will of UK voters. They remain completely unreconciled to the UK leaving in March as promised. This is a new low for Project Fear.
It is high time they allowed Parliament to complete implementation of the result of the People's Vote in 2016. The idea we would want a second People's Vote on the same thing, having ignored the first one, is particularly bizarre.

Building border walls

The Democrats in the USA have two main aims for their majority in the House. They want to damage Mr Trump as much as possible, even hoping for an impeachment. They want to stop him carrying out one of his most advertised campaign pledges, to extend the border wall with Mexico.

I say extend to remind readers that a part of the US/Mexican border already has some wall, thanks to former President Clinton, himself a famous Democrat. Parties can change their views, but this is quite a change with a lot of passion behind it. The Democrats have plenty of supporters this side of the Atlantic from liberal minded people who also dislike the idea of Mr Trump keeping people out through physical barriers designed to prevent illegal migration.

The moral and historical basis of this is not a strong one for many advocating no wall. The Roman empire defended itself with walls, including a long and famous one across the England/Scotland border. China built the longest wall of all which remains a major tourist attraction. More recently a substantial number of countries have built border fences and walls to control illegal migration, keep out drugs and weapons and impede the spread of terrorism. Whilst the USA has been rowing about whether to build any more Mexican border wall, member states in the EU have constructed at least 1000 km of high fence and wall as border protection.Ukraine is currently embarked on the major task of fortifying its whole long frontier with Russia.

In the south Spain has aggressive fences at Ceuta and Melilla, to try to keep out illegal migrants from Africa. Greece has defences against Macedonia and Turkey. The French assisted by the UK use a high fence at Calais. Estonia and

Latvia have some protection on parts of their Russian borders. I do not hear many protests about any of these. More contentious has been the long and high fences used by Hungary along her frontiers with Croatia, Serbia and Slovenia, presumably because the EU and many of its member states do not like the government of Mr Oban.

So I am asking readers today do you think walls and fences are necessary to control crime across frontiers, or are they damaging to legitimate migrants? How does Mr Trump's Mexican proposal differ from many of the walls and fences the EU has already allowed to go up around it borders as member states have decided they need to take action?

Beware of Central Banks who want things to be "normal"

In recent weeks there has been a big outbreak of pessimism about the future of the world economy. The US stock market has led the way down, just as it powered the optimism a year ago. Wall Street watchers turned worriers are alarmed at the way the Federal Reserve Board is tightening money in the name of creating a more normal policy. Their money supply growth has slowed noticeably. The Fed has put through a number of interest rate hikes to make borrowing dearer, and has started a big programme of Quantitative tightening, reducing the amount of government bonds it owns. This is double banking the monetary squeeze.

On the other side of the world the Chinese too are busily tightening their money supply. Worried by past build ups of debt and bad debts, they are requiring their banks and other financial institutions to go easy on the new credit and tidy up the old credits that have gone wrong at a faster pace. Money supply growth has fallen by a third as they adjust policy.

The Euro area too is slowly wanting to look a bit more" normal", so it is cancelling all new money creation to buy bonds under Quantitative easing. Even the Japanese who can be relied on to print and buy bonds until the end of time are easing up on the amount of such bonds they buy and the money they create to do so.

The UK has put through two rate rises, ended all new Quantitative easing and has presided over a large drop in money growth, with credit for car and home purchase affected as we see in the output and transaction figures. These toughening monetary measures have reinforced the negative effects of higher taxes on car sales and some home transactions.

The danger is the pursuit of an old normal, with no QE and base rates above 3%, is not compatible with reasonable growth and is not necessary to contain inflation. The Central banks should be data dependent, and note the cooling

of inflationary pressures with oil and commodities weak and plenty of global spare capacity and excess supply of many goods.

It is good news that despite the squeezes the latest UK PMI for manufacturing showed a decent rise and is indicating continued expansion. Demand is increasing, real wages are rising and businesses can expand. Those who wish to see everything through negative I don't like Brexit glasses say this is just stock building ahead of a possible no deal exit in March. There's an irony there. If as they think demand will fall on exit, why would anyone wish to increase their stocks ahead of such an event? If demand did fall – which I disagree with – stock levels would automatically be higher as a precautionary measure anyway without buying more stock. It is also interesting to see that the people who say the good PMI is just the result of people preparing for a no deal exit, are usually the same people who tell us no deal is not going to happen.

A majority of Conservative members oppose the Withdrawal Agreement

The only surprise in the latest poll is that 23% support the Withdrawal Agreement. Why on earth would anyone support it? If you want to leave it is the opposite of Brexit, locking us into the EU for an indeterminate period on bad terms with no guarantee of a future deal . If you want to remain you would think it better to stay in on current terms. The People's vote in 2016 decided to leave,confirmed by the results of the 2017 General Election, so we should do just that.

No, Mr Gove, the Withdrawal Agreement is not a good idea on any count

Mr Gove used to be in favour of Leave. Now we puts out the worst kind of Project Fear nonsense and seeks to prevent us leaving for at least another 2 years and maybe double that.

I have some straightforward questions for him:

1. When will he and Dr Fox publish the UK tariff schedule for March 30 2019 to trade under WTO rules? Our farmers and traders need to know now.
2. Will our tariff schedule set tariffs that are lower and fewer in number

than we currently have to impose under EU rules?
3. What is the right balance between cutting tariffs on food to help the consumer, and keeping some tariff protection which will offer some protection against European imports for the first time?
4. What increase in UK market share in temperate foods is he aiming for once we do impose some tariffs on EU competitors?
5. Is he now going to write food production in as a central aim of his White Paper and legislation?
6. Is he going to keep environmental and health and safety and animal welfare levels the same as at present when we decide or is he going to legislate to improve them?
7. When will he announce a fishing policy that takes back control of our fishing grounds and allows our home based industry to expand?

Brexit is huge opportunity to cut food miles, grow more of our own food, to rescue our fishing grounds and land more of our own fish, and to build bigger food processing industries close to good agricultural supply. That requires the Secretary of State to stop trying to delay Brexit and stop trying top scare us, and to get on with making some decisions and putting through legislation that will be good for UK farming and fishing.