

In praise of experts?

I did not agree with the distorted version of what Michael Gove said about experts. I find people with a genuine knowledge, enthusiasm and expertise about issues and problems are worth listening to and may be able to fix the trouble. A good doctor can diagnose and prescribe remedies. A good plumber can find the fault with your system and mend it. A good cook can produce a great meal. Studying, practising and keeping up to date in the relevant discipline is an important part of being able to do this.

The politician is the elected generalist who has to judge the expertise of the experts as a legislator and in some cases as a Minister making government decisions. When you are placed in such a position you soon discover that there are in most areas a range of experts you can turn to who may have substantial disagreements about what is good advice. Most government and legislative issues are different from needing to know you have broken your arm where you need a medical support for the bone to heal. They are wider and permit a range of views of how to resolve a problem. There may even be big disagreements about what the problem truly is. The politician has to cross examine the experts, think through the balance of probabilities, and apply commonsense and a judgement about what the public will accept when making the decision.

What Michael was getting at was an even bigger problem in today's world, where a large number of experts in a given field close ranks and all agree about an explanation or a preferred policy where the public is sceptical and where there is a reasonable chance they are wrong. This tyranny of the experts has bedevilled UK economic policy making all my adult life. As an example, for years the Bank of England, many in the Treasury and international organisations told the UK we must join the Exchange Rate Mechanism. I and a few others pointed out it was likely to cause boom and bust and to be deeply damaging. Our credentials and credibility were constantly questioned. The establishment had its way. It duly generated a very predictable boom and bust, with huge damage to the CBI businesses who had supported it and to many workers who lost their jobs. The same tyranny of the experts disagreed with rather more of us who said the credit boom of 2004-7 was unsupportable, only for us once again to be proved correct. The experts also ganged up to try to get us to join the Euro, which would have done grave damage to both the UK economy and the Euro had we done so. Fortunately the public was more sensible than the experts and made it impossible for government to join.

Ministers and MPs do have to stand up against the united voices of experts who have all collectively backed the wrong explanation or policy. That requires insight and courage by the elected officials, who will always be told they have no right to gainsay the experts, by of course those same experts. The media often makes this more difficult for the politicians. I had to spend much of my interview time during the referendum defending myself from the media complaint that I must be wrong and the so called experts right when the Treasury forecast a recession with 800,000 job losses for the

winter immediately after a Leave vote. This as I expected was a completely false forecast, but at the time the media went on asking who I was that I dared to contradict the Treasury and the IMF. I used to point out I had been on the right side of the forecasts over the ERM and the banking crash with the Treasury and the Bank on the wrong side, but the media didn't care. They suffer from expertitis. If all the main experts agree the media just argues their case. The media never gives experts the difficult and challenging interviews that they rightly give to politicians.

We now have the same again over leaving the EU. So many experts gang up to tell us the world has to stay exactly as the EU has designed it. They are once again making a huge misjudgement. Fortunately the public are more sensible than the experts in this matter, so they tell us just to get on with it.

The Chancellor gets his big fiscal consequences of leaving wrong- we will have £39bn more to spend!

The Chancellor's re use of silly forecasts by the government this time admits that the model they use "is not well suited to analysis of short term developments". That as near as we get to an apology for the disgracefully wrong forecasts of the aftermath of the referendum they used to try to frighten people into voting to remain.

He just says in 15 years time there will be a bit less growth and tries to convert this into tax loss. Meanwhile he studiously refuses to argue the case in government which he should be arguing, that there is no way we should give £39bn to the EU when leaving! Now that would provide a great boost to our economy in the short term, as we could start spending it in April next year.

Deal to some means signing a dreadful one sided Withdrawal Agreement – why would we want to do that?

I am against us signing up to the draft Withdrawal Agreement. It is all take and no give from the EU. We do not owe them money after we have left. Why

offer them £39bn for nothing?

Some in the government say they will only recommend signing the Withdrawal Agreement if there is at the same time a Future Partnership Agreement. Others in government accept under questioning that there will be no such Agreement drafted and ready to sign at the same time. The best they expect is some kind of Heads of Terms, or more likely an agreement to talk about such an Agreement. So why would anyone conducting sensible negotiations sign the Withdrawal Agreement without seeing a completed Future Partnership Agreement, or at the very least enforceable Heads of Terms which secure sufficient to justify the Withdrawal Agreement?

I do not see what in the proposed Partnership Agreement justifies the idea that we should pay them £39bn anyway. The essence of the Partnership Agreement is likely to be a Free Trade Agreement. That is in their interests more than ours given the imbalance of trade under the current tariff free model. No country pays another for a Free Trade Agreement. Canada did not pay the EU to sign its pretty full FTA with them.

The proposed Partnership from the UK side also ranges widely over Intelligence and Security, where we contribute more than the EU does, and over criminal justice co-operation where countries do not pay each other to enter into extradition agreements.

The debate about so called Deal or No Deal is a mis description on both sides. Deal as envisaged by the EU is not a deal. It is an insistence that the UK signs up to a penal Withdrawal Agreement, to be followed by 21 months more business uncertainty as the two sides haggle more about future trading arrangements. No deal is not no deal. It will be a series of decisions to carry on trading and working across the Channel using the World Trade Organisation, the Chicago Convention on aviation and other international agreements and bodies to ensure smooth passage under an internationally approved system of governance.

[The government taxed more than it spent in July](#)

This week the latest figures for UK borrowing showed that in July the UK government collected £2bn more in tax than it spent. As predicted here, the four month figures for the year to date also showed continued outperformance of the borrowing target, with borrowing so far in 2018-19 £8.5bn below budget. The favourable outcome was entirely down to a further surge in tax revenues as the government continues with its budget strategy based on big boosts to tax revenue. Tax receipts were up by 6.6% in July.

The position could be even better if the government would reduce some of the

tax rates it imposes. It could collect more higher rate income tax, more Stamp Duty and more CGT if it lowered the rates.

What I would like it to do is to increase public spending in the priority areas I set out recently, increase tax revenues by cutting over high tax rates,, and reducing spending in other areas. The government's financial position could be transformed if it leaves the EU without a Withdrawal Agreement payment. It could be further transformed if it cancelled HS2. Just leaving the EU without a Withdrawal fee would save £39 bn, allowing tax cuts for all of the kind where there is a cost to revenue, spending increases on schools, NHS, defence, a universal digital signalling expansion of railway capacity, more and better road capacity , and elimination of the deficit.

My critics here complained I just wanted to spend more and didn't care about the deficit. It would be easy from here to cut taxes for all – as well as cutting tax rates that do raise more revenue – increase spending and have a lower deficit. That is what I am recommending.

Why is the Today programme losing its listeners?

“Today” is losing listeners (minus more than 800,000 last year) in part because its endless Brexit coverage is one sided and tedious. It strives to make most things as being about Brexit, when most things are nothing to do with Brexit. Yesterday morning a Minister was trying to talk about exports. She was regularly interrupted by an interviewer who just wanted to shout Remain propaganda at her, claiming that a No Deal Brexit would be a disaster without providing a shred of evidence. This is all too common. Where were the good questions about the UK's capacity to export, about the changing nature of our markets and the growth areas of our products and services? There was no single question to challenge the Minister or to draw out some new material on the UK as a trading nation. How will the UK fare as the digital revolution advances? Will the big build up of technology businesses in the UK stand us in good stead? Have all the EU trade agreements been novated to us as well as to the residual EU? Apparently they will, we almost learned.

Most economic news items like currencies, jobs or balance of payments have the same explanations as before the vote. Interest rates go up and down thanks to actions of the Bank of England. Shares and currencies go up and down related to world economic changes and government economic policies. Most of us have no wish to hear recycled the same old Project Fear stories about how trade will be affected after we leave, as explained by the so called experts who wrongly told us to expect a recession in the winter of 2016-17 after the vote along with big job losses, rising unemployment, plunging house prices and a collapsing stock market.

For years we have had to put up with a Today programme which has eschewed serious criticism or commentary on the EU project of economic, social, currency and political union, and to put up with a refusal to properly balance the endless pro EU speakers with enough interviews of serious minded and well informed participants who have forecast the outcomes of the Euro , the ERM and the moves to political union accurately. Any party or movement anywhere in Europe that wins elections by challenging some part of the EU scheme is seen as "extreme right" or "populist" and unhelpful. Now they are taking the Today programme further away from being a sensible and well informed 3 hour consideration of the news by introducing quizzes, poor coverage of cultural matters , long commemorations of popular artists when they sadly die and genuflections to magazine lifestyle issues.

People used to tune in to Today to get a serious if not always balanced debate and commentary on the business of the nation and the business of business. That's now hard to come by on a programme which often caricatures itself.