

UK government and its flea-bitten policies out of step with new rhythm of the West

By Conrad Black

British Chancellor of the Exchequer, Rachel Reeves, has sharply accelerated the descent of popular and international respect for the new Starmer government in the United Kingdom with an almost unimaginably inept budget. The only sensible budget that has been presented in the parliament of that country in many years was by the chancellor in the brief Truss government that followed the incendiary self-destruction of the Boris Johnson regime two years ago. That was a Thatcherite, tax-cutting, economic growth, Conservative budget. In Britain, Conservative prime ministers who raise taxes or fail to lower them after they have become too high, suffer 100 per cent predictable parliamentary or electoral failure. That, more than anything else, explains the debacle of the five consecutive failed Conservative party prime ministers in the United Kingdom in the last 10 years, (a record of governmental and political incompetence approached by no other party in British history going back to the installation of the first prime minister, Sir Robert Walpole, in 1721).



The Truss budget, presented by the Chancellor Kwasi Kwarteng, was pounced upon by the large section of British MPs who supported Liz Truss' rival in the leadership contest to succeed the overwhelmingly rejected Johnson, (Rishi Sunak). Sunak made his point and succeeded Truss with clockwork speed, and thus earned the honour of leading his party to a catastrophic defeat earlier this year. In Britain, Conservatives are not elected to raise taxes or to maintain high taxes enacted by governments replaced by Conservatives. It is understood and well established that the Labour Party is not so dependent upon the contentment of income taxpayers. But in leading what he endlessly proclaimed to be a New Labour Party, Tony Blair, Prime Minister 1997-2007, increased public spending and to some extent financed it by an endless series of revenue increases that did not amount to direct tax increases on personal income. His treasury officials' resourcefulness unearthed every alternative source of revenue except an income user fee.

The Blair experiment, finished off very unsatisfactorily by his chancellor, Gordon Brown, led to 14 years of failed

Conservative government which conspicuously omitted to roll back any of the multifarious revenue raising imposts of the Blair-Brown government, whose much vaunted novelty was really just a shell game of hiding and disguising the usual Labour tax and spending increases. Keir Starmer and Rachel Reeves had this clear message that what was required was a reduction in spending and to the extent that any new tax revenue had to be imposed, it should be on some sort of sales or goods and services or value added basis that taxed elective and not essential spending. They have a huge parliamentary majority because of the colossal failure of the Conservatives which led to massive vote increases for the unofficial opposition parties, Liberal Democrats and Reform. The country could not re-elect the Conservative Gong Show, but had little confidence in Labour, whose percentage of vote increased only slightly.

But, fortuitously, they have an immense surplus of MPs and a five-year term, if not to enact the New Labour programme that Blair and Brown failed to implement, at least to run a prudent government that would earn the respect of the country and the world. Instead of this, Chancellor Reeves has proposed tax increases that will raise the public sector share of GDP to its highest point since World War II, all simply to pour more money into a National Health Service that is under-serving the country, and other amenities and services that have long since deteriorated into an infelicitous combination of poorly directed compassion and outright vote-buying. The Reeves budget will actually lower revenues because of its disincentivisation of economic growth.

The clearest lesson in unfolding electoral matters in the major Western countries is that political correctness, wokeism, diversity and inclusion, febrile Green coercion, and the flea-bitten detritus of overworked social democracy have all gone well past their sell-by dates. Argentina, Italy, and now the United States, have all resoundingly and decisively changed course toward lower taxes, taxes used to incentivise

private sector job creation, and tighter government efficiency. All polls indicate that Germany will move at least somewhat in this direction early in the new year, and Canada will do the same at the end of next summer. France, where there has not really been a recognizable conservative and private-sector party since former president Jacques Chirac did a 90 degree turn in the middle of his tour in the Elysée Palace at about the turn-of-the-millennium, will at least make an appreciable gesture in that direction in its elections in 2027.

But the United Kingdom, always one of the most admired and distinguished nationalities practically since the times of Alfred the Great, 175 years before the Norman Conquest, has laid out for itself a path of utter futility. Apart from short-changing the British public, the UK government in its fiscal, as in its foreign policy, is completely out of step with the new rhythm in the West. Three-quarters of the world's recent problems are the result of the vacuum of authority that has existed in Washington in the last four years. President Trump's announced assault on the inefficiency of government, the perversion and corruption of the justice system, and the infirmity of American foreign policy is well illustrated in his statement on Monday that if the hostages taken by Hamas in its invasion of Israel last year are not released by the day of his inauguration, (January 20), "There will be hell to pay in the Middle East." This is the rising ambience of Western policy-making. The whole Western alliance should rejoice in this change and get in step with it.

The new British Conservative leader Kemi Badenoch, looks and sounds like a Thatcherite. If the Starmer government does not execute a complete policy and attitudinal metamorphosis, it will produce a political fiasco that will make the Conservative prime ministers of the last decade (none of whom was conservative), look like Disraeli, Churchill, and Thatcher.

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