

Asphyxiation Nation? This is not a budget for ‘a Britain that wants to be prosperous, solvent and free’

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Tim Bale found yesterday’s budget depressingly ideological, driven by an attempt to stick to a script written by Margaret Thatcher and Geoffrey Howe in the 1980s. However he argues that this script of ‘staying the course’ is inadequate for economic challenges of the scale facing the UK.



‘We have to hold,’ said George Osborne in his budget speech yesterday, ‘to the right track.’ He’s not kidding. Barring a few eye-catching giveaways for drivers, drinkers, employers and homebuyers that are, in fact, fully funded, this has to be one of the most depressingly ideological responses this country has seen to an unprecedented economic emergency – if not since the thirties then at least since the early 1980s.

And there’s the rub. Both the Chancellor and the Prime Minister are sticking to a script they’ve borrowed from the heroes they grew up with – Margaret Thatcher and Geoffrey Howe, who, when things looked grim, toughed it out, stayed the course, defied the conventional wisdom and, as growth returned to the economy, added nearly sixty seats to the party’s haul at the previous election. If it could be done then, it can be done again.

But can it really? The first Thatcher government never suppressed real wages like this government has. It never failed to control borrowing as badly as this government has. It never presided over an economy as chronically sluggish as this one. In short, this is not the early eighties. It’s much, much worse. As the BBC’s Nick Robinson put it when he summed up the OBR’s verdict last night, ‘Growth is faltering, debt is rising, borrowing’s stopped falling.’ And we’re only two years away – max – from a general election.

So, sticking to the Thatcherite script simply may not do the trick this time around. But the Chancellor doesn’t dare tear it up. Even if he were an actor more capable of ad libbing than he is, to improvise now would be to admit he’d got things wrong for the last three years. More than that, staying strong – especially if the economy doesn’t tick up soon – is, along with lowering immigration, squeezing welfare, bashing Brussels, and propping up an overvalued property sector – pretty much all the Conservatives have got going for them right now.

Budget 2013, of course, was never billed as a game-changer. And, however much it unravels as economists and journalists get to go through the small print, it surely can’t be as bad as last year’s notorious omnishambles. But branding it, as Osborne tried to, as ‘a budget for a Britain that wants to be prosperous, solvent and free’ is bound to be greeted by many with little more than a hollow laugh. He says aspiration. I see only asphyxiation – more of the same when the same is slowly strangling the economy to death.

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

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