

BROKEN BRITAIN

16 Problems Facing the Country

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DISCUSSION PAPER

ABOUT THE AUTHOR

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INTRODUCTION

It is entirely evident that many institutions and policies current in the UK simply do not work. What ought to be a crisp and responsive service is in many cases more representative of a shambles. People who travel abroad often look with envy at countries in which institutions and services seem modern, streamlined and efficient compared with their UK counterparts. They cannot understand how a country with such high levels of taxation can gain so little in return. Even though many of the taxes are concealed as stealth taxes, such as frozen thresholds that draw more people into the net, people certainly feel the effect on their wallets and purses. People wonder how so much input can achieve so little worthwhile output.

This is undoubtedly having a psychological effect on people's confidence. The phenomenon resembles the mood in the 1970s, when Britain was regarded as the sick man of Europe and people despaired of seeing any chance of improvement. People emigrated then, and are doing so again. This is especially true of the young and talented. The largest age group of people leaving the country is the cohort aged 25-44. Many people are in despair, with mental illnesses and the resort to anti-depressants reportedly on the rise. They look at Britain's problems and have no confidence in the ability of government to solve them.

The characteristic optimism of young people, the feeling that their future would be better than their past, has evaporated, and many suppose instead that the future will be worse than the past was. Many young people see little prospect other than that of seeing much of their earnings taken from them and frittered away by government and its bureaucracy without addressing or solving any of the problems and difficulties that face them. And they see this continuing for years into the future.

Britain is broken, and no-one on the horizon seems to have any notion or plan on how to mend it.

PROBLEMS

1. THE BANK OF ENGLAND IS CLEARLY NOT FIT FOR PURPOSE.

Its recent performance has been the worst since it received its independence 25 years ago. Charged with keeping inflation at 2% annually, it has allowed it to rise into double figures. It raised interest rates a year too late to handle the inflationary pressures. When pension funds had to sell gilts to remain liquid, it bought gilts instead of proposing a one-year suspension of the liquidity requirement. The personnel at the top have failed to discharge their duties responsibly.

2. THE TREASURY HAS A MINDSET THAT DOES NOT COVER THE NEEDS OF A MODERN ECONOMY.

It pays attention to tax receipts and interest rates, but seems oblivious to money supply. Its static model pays insufficient regard to the dynamic effects of tax changes, and it fails to embrace measures that could stimulate growth. It looks to raise funds from Corporation Tax and Capital Gains Tax without having due regard for their adverse effect on enterprise. The entire culture of the Treasury and its personnel has acted as a brake on the economy and should be changed.

3. TRANSPORT IN BRITAIN IS BROKEN.

Public transport is overcrowded in some areas and virtually non-existent in others. Trains and London Tube services are harried by strike action, forcing people into cars onto already overcrowded roads. A lack of proper road pricing means that road space is used inefficiently, and rural bus services have been severely cut back.

4. THE NHS IS BROKEN.

There are long waiting times for operations, for GP appointments (which are usually by phone), for attention in A&E, and for ambulance arrivals. The latest report shows that every day about 4,000 patients have to wait over 12 hours in A&E. Doctors and nurses constitute only about one-third of total NHS staff. Money is wasted on non-medical trivia, and nearly half of all NHS personnel have no medical qualification or professional training.

5. EDUCATION IS BROKEN.

People are encouraged to attend university, yet many do not benefit financially in subsequent careers. The student loan and repayment scheme is chaotic, with government expecting only 25% to fully pay off their loans. Many universities devote attention to social engineering and politically correct stances rather than to attracting and educating the best students. Many do not allow effective free speech on campus lest a minority of students might feel 'offended.' The UK is falling down the international list of educational quality.

Many schools fail to adequately equip their students with the skills that will help them to secure jobs or further education. There are big teacher shortages, especially of male teachers. In many school year streams, class sizes are too large for adequate individual attention to be given. Insufficient attention is given to essential core subjects.

6. JUSTICE IS BROKEN.

Crime is rampant, and criminals are going uncaught and unpunished. Police priorities are not what the public desires. A man who tracked his stolen computer to a house and showed the evidence to police was told they had more pressing priorities as they refused to take any action. Police pursue 'hate speech' rather than burglaries. Cases can take years to come to trial. There is a huge backlog, and a shortage of judges and magistrates. Police do not deal adequately and swiftly with demonstrators who block public roads and disrupt traffic, or with those who vandalize public buildings, statues or artworks.

7. IMMIGRATION IS BROKEN.

Tens of thousands cross the channel in dinghies and those without legitimate asylum claims are not immediately returned. The system allows lawyers to tell people to claim they were trafficked in order to claim to be asylum seekers instead of the economic migrants they actually are. The UK has lost control of its borders, while qualified and skilled would-be legal immigrants face daunting costs, paperwork and delays.

8. HOUSING IS BROKEN.

The 1947 Town and Country Planning Act and its successors have prevented houses being built in places where people want to live. Home owners contrive to prevent new homes being built near them. As people live longer, and more choose to live singly, and immigrants settle in the UK, there is an increasing demand for housing that is not matched by supply. New housing is expensive because of the shortage of planning permissions. Young people cannot afford to buy, and their demand pushes up rental costs. The one-time aspiration to home ownership is thwarted because not enough new home builds can take place.

9. SOCIAL CARE IS BROKEN.

Its funding has not been thought through, and there is a shortage of facilities, and particularly of staff. Supply has not kept pace with demand, and complaints upheld against inadequate service have risen to record levels. The need for people to receive care in their own homes is not met because of a lack of funding and staff. Medically fit people are 'bed-blocking' in hospitals because of inadequate care facilities for them to be discharged into.

10. CHILDCARE IN THE UK IS BROKEN.

Excessive and inappropriate regulation has taken its costs beyond the reach of many families. Many parents who could return to the work force are finding that childcare costs exceed the post-tax earnings they could receive. Other European countries have adult carer to child number ratios much lower than those in the UK, with no diminution in the quality of care. The inadequate provision of affordable childcare is a huge drag on productivity and growth.

11. WELFARE IN BRITAIN IS BROKEN.

Large numbers are not receiving adequate welfare, and some are still abusing the system to claim benefits they should not be receiving. Fraud is prevalent, as is in-

adequate care. Innumerable different benefits have created a nightmarishly complicated system that is difficult to penetrate, and no less difficult to administer. The welfare system discourages people from trying to rise above it. It is not fit for purpose.

12. THE UK STATE PENSION SYSTEM IS BROKEN.

It discriminates against the young people who fund it, and rewards many of the elderly who are already quite well off. The triple lock gives state pensioners an economic advantage that other economic participants lack, the ability to sustain their living standards no matter what happens in the economy. Many pensioners receive enough to fund a bottle of good quality champagne every day, while others have to worry if they can afford food and heating. What is missing is a sufficient incentive to ensure that the majority of people have a private pension with funds built up over working years.

13. ENERGY IN BRITAIN IS BROKEN.

The price cap applies to retail gas, but not to wholesale, so when wholesale prices rose energy suppliers could not pass on the increase, and many went under in consequence. The UK failed to invest in nuclear power ten years ago and now faces power shortages. Its green energy levy made energy more expensive. The obvious bridge until solar, wind and other renewables become economically efficient is gas. It is a fossil fuel, but a cleaner one than others. The treasure trove of gas beneath our feet remains untapped because of pressure groups. The UK should have permitted fracking and compensated those affected. The result of all this mismanagement has left our energy supply broken. It is yet another thing that doesn't work.

14. REGULATION IS BROKEN.

The EU, which likes to micromanage with process-driven regulation, has inflicted innumerable and excessively detailed requirements on its members. After the UK withdrawal from the EU, these should have been swept away and replaced with result-driven regulations governed by cost benefit analysis rather than the precautionary principle. The UK should have applied balance of probability principles to avoid regulating against things with a minimal chance of occurring. The result is that UK business and enterprise are held back by a burden of unnecessary and costly regulations. Regulation in Britain is not fit for purpose.

15. THE CIVIL SERVICE IS BROKEN.

Its numbers have inflated without any obvious improvement in the work that it does. The desire of bureaucrats to be working from home, even if in some cases that home is abroad, has led to many services piling up long delays and waiting lists. Tony Blair's abandonment of the Citizen's Charter might have appeased the unions, but has resulted in a gradual decline in civil servants being held to account for their output. Departments pursue diversity, inclusion, and fretting over pronouns, which all divert resources and personnel from what ought to be their main output, namely their services.

It is failing to address the needs and concerns of the people, but intent on pursuing an economic hair shirt strategy that punishes them and hits their living standards and their aspirations. It presides over a broken Britain in which everything about it does not seem to work. It should be confronting all of these problems with imaginative initiatives to solve them, but it is not. It looks to a future of a nation in decline, one that will remember the past as better than the present or the future. This is not what government should do. It should instead be creating opportunities for people to better their lives and their circumstances. It should be solving problems, not perpetuating them. The government is broken, and needs to be replaced by a better one that is not.

CONCLUSION

The UK was hard hit by the Covid pandemic. Lockdowns shut down most of the economy, while schemes such as the furlough payments and 'eat out to help out' consumed vast resources that were unfunded by revenues. Instead of a growth agenda to boost recovery post-Covid, the government showed a caution that has allowed public institutions and services to slide into a decline.

What has exacerbated the decline in the quality of life has been a lack of will as well as a lack of resources. Politicians seem to be locked into an acceptance of second-rate standards instead of working imaginatively to improve them. Governments have burnished their environmental credentials at the expense of increased costs to their already hard hit citizens.

Britain is broken and its future looks bleak. Almost all of its institutions and services are in need of change, yet no-one seems able to implement that. Unless there is a change of gear and tempo, the future seems to be one of decline and stagnation. People are losing hope in Britain and in themselves.