It is time for Osborne to change tone on policy

Richard Lambert

George Osborne has a choice to make about how long he can continue to ignore the signs that restructuring in the British economy is far from complete. If he continues to muddle along, it is likely that the market will start to lose faith in the performance and the management of the British economy. And that, given how exposed the UK is to international financial markets, could have serious consequences for the country’s ability to borrow money at competitive rates.

One of the signs that Osborne’s political capital is running low is the lack of progress on the capital gains tax (CGT) reform. Osborne has repeatedly said that he will not change the CGT rate, yet the reality is that the tax rate has remained unchanged for over a decade. This is in stark contrast to what we see in other countries, where the tax rate on capital gains is often lower. Osborne’s failure to act on this issue is a missed opportunity to reduce the burden on individual savers and investors, and to make the UK a more attractive place for investment.

Another sign of Osborne’s declining political capital is the lack of progress on the public sector pay freeze. Osborne has repeatedly said that he will not reverse the pay freeze, yet the reality is that the cost of living is rising faster than wages. This is a missed opportunity for Osborne to show that he is willing to address the needs of the public sector workforce.

The third sign of Osborne’s declining political capital is the lack of progress on the housing market. Osborne has repeatedly said that he will not reverse the property boom, yet the reality is that the cost of housing is rising faster than wages. This is a missed opportunity for Osborne to show that he is willing to address the needs of the public sector workforce.

The fourth sign of Osborne’s declining political capital is the lack of progress on the education system. Osborne has repeatedly said that he will not reverse the cuts to education funding, yet the reality is that the quality of education is declining. This is a missed opportunity for Osborne to show that he is willing to address the needs of the public sector workforce.

The fifth sign of Osborne’s declining political capital is the lack of progress on the pensions system. Osborne has repeatedly said that he will not reverse the cuts to pensions, yet the reality is that the cost of living is rising faster than wages. This is a missed opportunity for Osborne to show that he is willing to address the needs of the public sector workforce.

In conclusion, Osborne’s declining political capital is a clear sign that he is losing the support of the public. If he continues to muddle along, it is likely that the market will start to lose faith in the performance and the management of the British economy. And that, given how exposed the UK is to international financial markets, could have serious consequences for the country’s ability to borrow money at competitive rates.