

[Brown's economic mirage](#) [1]

Written by [Tom Clougherty](#) [2] | Friday 7 December 2007



Fraser Nelson had an excellent piece on the Spectator's Coffee House blog yesterday, [arguing](#) [3] that the UK economy is in "a far worse condition than Gordon Brown makes out... his skill [as chancellor] was not in managing the economy well, but in making people believe it had been managed well."

Indeed.

As Fraser points out, most developed countries have had better growth than the UK since 1997, and Britain has actually been the worst economic performer in the English-speaking world. So much for the miracle economy! And thanks to Brown's wasteful public spending we have the biggest deficit in Western Europe, at a point in the economic cycle when we should really have a surplus. Government borrowing has placed a heavy burden on future generations. Inflation is making a comeback. Millions of Britons are economically inactive and dependent on state benefits. The list goes on...

What should be done? I believe overhauling the welfare system is the most urgent task facing the country ? done correctly it would reduce spending and increase economic growth, by getting people off handouts and into productive work, as well as having an important social impact. Our recent report [Working Welfare](#) [4] provides a handy guide to reform.

Alongside that we need to bring public spending under control, making public services more efficient and cutting government waste (£101 billion of which was recently [identified](#) [5] by the Taxpayers' Alliance). Add in a few juicy tax cuts to boost enterprise and strengthen incentives, and you've got a recipe for real economic success.

Doesn't sound that hard, does it?

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