

Brown would achieve more by doing less

As Gordon Brown prepares for next week's G8 meeting we can be sure of one thing – he will be making a list of things the world's leaders should be doing. A long list. And therein lies one of the Prime Minister's problems, his tendency to substitute a multiplicity of goals – many of them admirable reflections of his desire to make Britain and the world a better place – for an over-riding vision. The greatest leaders usually have one big thing they want to accomplish. Churchill wanted to defeat fascism; Truman wanted to contain communism; Margaret Thatcher aimed to end fashionable declinism; Ronald Reagan brought down the "evil empire".

Other issues were treated by these leaders as subsidiary to their main goal. None would have ordered a special commission to investigate the safety of sunbeds. Brown is not in the Churchill-Truman-Thatcher-Reagan mould. As the *Financial Times* put it: "The Prime Minister likes... lists, preferably filled with pledges, promises, aims and targets." Not for him what an uncomprehending George H. W. Bush called "the vision thing", shortly before being ushered into retirement by America's voters.

Worse still, not for the PM the lyrics of one of the hits in Kanter and Ebb's *Chicago*, *I Can't Do It Alone*. So instead of allowing his energy minister to traipse to Jeddah and discuss oil prices with the Saudis last week, Brown

chose to be the only head of state to make the trip.

Surely he knew he would not be returning to Britain with a promise of lower prices in our time. The photos of the PM urging the Saudis to have mercy on consumers, he guessed, would be a plus. But because he had not taken the trouble to ask his staff to agree in advance with the Saudis some sort of communiqué that said "The Prime Minister and His Highness have agreed to cooperate in...", he got a rebuke, the King saying he had heard nothing of use. On a trip like this, you can't do it alone.

More significant was the proposal Brown brought to Jeddah, as a clue to the sort of thing he will be proposing next week at the G8. Faced with all those windfall profits that were piling up in the Saudis' treasury, Brown's first instinct was to do what he has done in Britain – tax them away. Unfortunately for the Exchequer, his writ does not run to Saudi Arabia. So instead he proposed that the Saudis pour money into renewable energy projects in Britain. Why the Saudis would want to stimulate the growth of competing energy sources, and why these shrewd investors who do not lack for professional advice would give any weight to suggestions from a man who had never worked in the risky investment sector, eludes most observers.

But not me: Gordon Brown simply can't sit still, let others shoulder some of the burdens of government, and focus on a few



The Prime Minister professes to understand the invisible hand of Adam Smith, but seems to prefer his clunking fist, says Irwin Stelzer

big ideas. Nor can he trust markets to allocate capital and other resources to uses most desired by consumers. That's why he will urge his G8 colleagues to spend billions on projects he deems worthy. And that's why he has raised taxes to record levels and unleashed hostile tax collectors on a largely law-abiding public: he really believes that he can spend people's money more productively, or in a morally superior manner, than they can.

That's why he has had some 2,823 laws passed during his first year in office – eight per day and 64 per cent more than Lady Thatcher averaged – many aimed

at regulating businesses and commercial transactions between private parties, such as the buyers and sellers of property. This at a time when it is crucial to reduce taxes on entrepreneurs and small businesses, and the red tape that makes it so difficult for small businesses to start and to survive.

The pity is that Mr Brown more than any of the other G8 attendees understands that the winds of change that are sweeping through the globalised economy are now at gale force. He wants Britain to be able to beat the best India and China have to offer.

Unfortunately, he knows how to draw up an impressive list of goals, but cannot set priorities or figure out how to get there. He wants to end child poverty, but that can't be accomplished by increasing child benefits and dependency on the state, or raising the minimum wage to price teenagers out of jobs.

He wants to raise the productivity of British firms, but ensnares them in EU regulations that reduce workforce flexibility. He wants to increase the number of workers gainfully employed or on training schemes, but can't seem to grasp that continued payment of benefits makes the couch more attractive than the workplace. Mr Brown wants the NHS *circa* 2008 to be as great a boon to Britain as it was at its founding 60 years ago, but can't quite accept that full patient choice and genuine, wide-open competition are a surer route to reform than more and more central directives.

The Prime Minister, it must be said, is not alone in not being able to plot a path from an unsatisfactory present to a brighter future. Well-intentioned reformers in Russia wanted to move the nation's economy away from the strangling embrace of the state, but in the process turned it over to kleptocratic oligarchs whose excesses produced Vladimir Putin. Economists at the World Bank want to move Africa from poverty to an acceptable living standard, and attempted to manage that transition by funding economic development projects that ended up improving the living standards and Swiss bank accounts of government officials.

Gordon Brown wants a richer, fairer nation, its citizens safe on the streets and in their homes, but insists on micromanaging every twist and turn on the route to that goal. He understands, or says he does, the power of Adam Smith's invisible hand and the diffusion of power it creates. But somehow, he can't resist relying instead on the clunking fist. It just seems to him so much more effective to do it alone, rather than to rely on the individual choices of citizens, free to pick their kids' schools, their own healthcare providers, and workplaces in which the rules suit them and their employer, rather than central planners' notions of the proper work/life balance. Too bad, not only for the Prime Minister, but for Great Britain.

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