

Can we be certain about Brown's faults?

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*"Let us now praise famous men...
The people will tell of their
wisdom..."*

So wrote Ben Sirach in Ecclesiasticus. That advice is too often ignored by scribblers, this writer included. Instead, we specialise in going beyond Oliver Cromwell's instruction to his portraitist, Sir Peter Lely, that he be painted warts and all, and tend to fix on the warts, while ignoring the bigger picture.

When it comes to the Prime Minister, Gordon Brown's warts are all too visible – impatience with dissent, rudeness to opponents, clannishness. But fairness demands a fuller portrait, especially as we might be entering the final stage of his political career.

Start with his long stint as Chancellor. That Brown raised taxes multiple times, stealthily, and presented Budgets with a degree of transparency that would have resulted in the jailing of any corporate officer who adopted his technique, is beyond question. But it is also beyond question that Chancellor Brown presided over an extended period of economic growth that drove the living standards of many citizens to record levels. It is fashionable now to say that all of this prosperity

was a sham, built on a pile of debt – a bubble sure to pop.

But hindsight is always perfect. And it is not at all certain that Brown's policy of tax and spend was the ultimate cause of Britain's present difficulties, or that his gamble to take on an unprecedented pile of debt will not in the end prove a winner. Economics is a sufficiently imperfect science to require us to admit uncertainty when we apportion blame. True, Brown has been his own worst enemy, repeatedly taking sole credit for the nation's prosperity, and giving a hostage to fortune by claiming to have ended boom and bust. And his latest claim to have saved the world opens him to ridicule that obscures the real contribution he made by leading the way in encouraging other countries to recapitalise their banks.

This was no small thing: it convinced US Treasury Secretary Hank Paulson to redirect his \$350 billion bail-out fund from purchasing dicey IOUs to purchasing shares in troubled banks. Which is only one reason why people at the highest level in international financial institutions hold Brown in great esteem, even though they feel he is at times a bit too prone to reach for excessively draconian regulatory solutions.

It is easy, too, to criticise Brown



Irwin Stelzer
*says the Prime
Minister is an
easy target, but
his critics should
not be too sure
of themselves*

for a failure to solve what may be intractable problems. Again, he is at times his own worst enemy, clinging to failed policies rather than admitting error and changing course. But no one can doubt the zeal he brings to the fight to eliminate – reduce or ameliorate would be a more modest and attainable goal – child poverty, or the sincerity of his belief that it is the role of government to share the benefits of medical technology and educational techniques more widely.

His faith in an overmanned public sector lacking in accountability is, in my view and that of many others, misplaced. But although the advances are almost certainly not proportionate to the costs incurred, at least in the case of health care there have been improvements. And if the Prime Minister does back the James Purnell work-or-lose-benefits reforms, which is not entirely certain, Lord Beveridge's vision of a responsible welfare state might just come closer to realisation.

None of this is meant to argue that critics who contend that Brown has over-taxed, over-regulated, and over-spent have it all wrong. Rather, it is to make two points. First, making public policy is hard work, criticising the policy-makers is easy. Brown might not recognise the possibility that he is wrong, but his critics should be less sure that they are right. Like the King of Siam in the *King and I*, much of what we certainly know isn't certainly so.

My view is that the British government claims too large a portion of the nation's wealth, but I can't be sure that the 40 per cent rule-of-thumb I use as the upper limit of that claim is right and Brown's higher figure is wrong. I believe there will be a high price to pay in future taxes and inflation

for the Prime Minister's latest borrow-to-spend spree, but in America we are on a similar course, yet the currency remains strong and inflation subdued. I do not believe the stimulus package he has crafted will induce consumers to step up spending significantly, primarily because consumers know they must save for the rainy day when the tax bills come due. But there is no certainty that that is the case: we are sailing in poorly charted waters.

Second, we live in a world of alternatives, one of which is not perfection.

Politics is about choice, and it is not entirely clear that the alternatives to Brownism would have been more successful than the then-Chancellor was, especially since what was on offer until recently was a repeat of his spending and tax programmes. That may lately have changed, as David Cameron and George Osborne muster the wit and courage to forge a coherent alternative economic policy. Now we can at last apply our (admittedly imperfect) tools to a comparison of the alternatives on offer, rather than merely aim arrows at the inviting target that is Gordon Brown.

Comment on Irwin Stelzer's view at
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