

Cameron commits us to economic misery

Published: January 13, 2026, 2:14 am

[Brown and Cameron clash over budget deficit | BBC Business | www.bbc.com/news/business-2026-01-13](#)

Brown offers Keynes - give or take - which is the only way there is to get out of a recession caused by market failure (which is what happened).

Cameron disagreed:

Cameron rejected Brown's arguments, insisting that the budget deficit must be reduced much sooner. "Dealing with this deficit is not an alternative to economic growth — the two go hand in hand. If investors see that there is no will at the top of government to get a grip on our public finances, they are going to seriously doubt our country's creditworthiness."

The idea that dealing promptly with the fiscal deficit would damage the recovery was "profoundly wrong", said Cameron.

He also announced today that if the Conservatives win the forthcoming general election then they would introduce an emergency budget within 50 days of coming to power.

We know he is offering a corporation tax rate of 25% in this plus a small company tax rate of 20%. That's a cut of over £4 billion in business tax.

So that increases the hole he has to fill.

So there are two choices:

- a) Big tax hikes for ordinary voters
- b) Big service cuts for ordinary voters

Of course, option (c) is both

A great sales pitch, guaranteed to deliver increased unemployment, extended recession

and misery. No wonder his appeal is falling.

Not least because there is no need for it at all: government spending in a recession pays for itself.