

Osborne: a lesson in how to alienate everyone

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As was widely reported before the election, George Osborne was the City's fourth choice for Chancellor, coming last after Ken Clarke, Vince Cable and Alastair Darling.

Now he's in office, none the less, he's doing his very best to alienate even more of this support base.

First, he's cut Civil Service bonuses. That's going to really win over all those whose services he is now dependent upon.

And then [he's announced](#) that the Treasury — the department he now heads — has been “cooking the books” — and he's going to appoint an independent Office for Budget Responsibility to prepare “proper” national accounts and determine the parameters for budget forecasting.

All [this on the day](#) an FT columnist says:

Democracies cannot embrace central-bank independence unreservedly — least of all now.

There's good reason for that. The decisions taken by central bankers are political — or should be. To pretend they're objective is to deny reality- that there is no such thing as economic objectivity, and that the closer you come to it the more unrealistic are the objectives you set and the less acceptable and predictable the outcomes will be in reality.

The same will be true of the Office for Budget Responsibility. This won't be objective. Nor will it remove politics from the process of budget setting. But it will do four things. First it will alienate the civil service - the heart of British democracy. Second it will ensure that the madness of neoliberal economics will be at the core of budget thinking — which will be incredibly harmful for us all. Thirdly it will let Osborne pass the buck for a while - as#160; Brown did — until deregulation and devolvement of responsibility brought the financial edifice crashing down. The same will surely happen again here. Finally, the democratic accountability of the UK will be undermined yet again as another

part of our government falls into the hands of those economists and bankers who have already brought the economy to the edge of a precipice.

Apart from those appointed to the Office for Budget Responsibility there can't be a person celebrating this.

And Osborne has proven his ability, yet again, to alienate everyone. If that were Machiavellian I'd understand. The trouble is that would require competence. And I don't see that. I just think it's alienation for the sake of it from a man who has previously managed his own bank account and a failed Tory election campaign. How did he get to run the economy?