

# Osborne's claim that the deficit is down by a quarter i...

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George Osborne [declared today that](#):

*The deficit is down by a quarter.*

This is not true. No, that's being too kind to George. That's a lie. Here's the data based on budgets from 1998 to 2012 on the current surplus and deficit on spending on and total borrowing (which includes the cost of investment) for the last 15 years, plus projections to 2017:

The figures to 2011-12 are pretty reliable: after that they're made up. We now know that 2012-13 is now going to be at least as bad as 2011-12: currently borrowing is higher.

The deficit reached £156 billion in 2009-10. But that was because Labour spent to make sure that the worst impacts of the crash were beaten off by Keynesian policies that ensured that the economy was growing when they left office.

The deficit for 2011-12 was £126 billion, subject to revision either way by a billion or so. This year it will be worse. That's a 19% improvement on 2009-10. But it's been done at a cost in terms of investment, which looks like this (same sources):

So, gross annual investment has been slashed by almost £50 billion to get borrowing by somewhat less.

And as a result we're in the longest double dip-recession in memory.

The truth is shown by the blue line on the top graph: Osborne has not really had any impact on the deficit at all bar stopping investment so that more than a million people have lost their jobs whilst jeopardising our future and denying us all the opportunity that almost zero percent interest rates have offered for the renewal of our country.

Not only in that case has George lied about his achievements, the achievement is to do nothing of value or a great deal of harm.

I wouldn't be shouting too loud George.