

On tour this morning - discussing GDP and the fact that...

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I'm on tour this morning - doing a round of BBC local radio stations to discuss GDP data. I do not, of course, leave BBC to do so - I just get bounced from one station to another for some time. It's a slightly strange experience - having to remember just what audience you're talking to is one of the problems when you're on your seventh in an hour, but also quite fun.

I suspect there will - as predicted by many - be a rise in GDP. Let's presume it is 0.6%, as has been suggested by the weight of opinion. Is that good news? I'm afraid not. My briefing for the BBC said:

1) If growth has happened it's regional at most - south east only. 2) If there is growth it is a bubble - in the stock market because of quantitative easing being used for speculation and housing being boosted with tax payer money in a way that will keep out many new buyers whilst supporting their parent's housing value. This is bubble economics and bubbles both burst and create inequality on the way and after. There will be tears resulting from this one day. and maybe soon. 3) If this is growth let's not get excited until we have recovered the 9% fall in real income for most people since 2008. 4) Let's also not celebrate until millions of people are back at work - especially 1 million one young people. 5) What we need is what I call a Green New Deal - £50 billion a year to create real jobs to insulate all houses, generate green energy and build green transport infrastructure. This would turn the economy around better than £400 billion spent so far on bailing out banks and housing which has only boosted the south east. No doubt I will elaborate on air, but you get my drift - which is that boom and bust is back. Brown wanted rid of it. Osborne is using it in the hope he'll win an election on the back of it. And then he'll really go for [establishing Rentier UK](#).