

The three fundamental flaws in Osborne's budget

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There are three fundamental flaws in Osborne's budget.

The first is the assumption that the UK will increase its growth when the Office for Budget Responsibility say that will not happen in the Eurozone and many other markets. I don't believe that, especially when UK investment rates are so low and productivity is only 80% of that of France as a result.

Second, there is the assumption that the next government can cut government spending at unprecedented rates, especially until 2018. I don't believe that.

And third there is the assumption that tax revenues from avoiders and evaders can be increased when staff are being slashed at HMRC. I don't believe that either.

Take those assumptions away and this budget makes no sense. And they are only assumptions, and all in areas where forecasting has, to be kind, been pretty poor in the past.

Osborne's budget has more holes in it than a Swiss cheese.