

Will this be a year like no recent other?

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The Observer's commentators seems to have summarised the prospect's for 2016 quite well today.

Larry Elliott appropriately points out that many of the changes in the global economy, and most especially the fall in oil prices, should be suiting the UK economy and yet few, including George Osborne seem to think that is the case. Of course those seeing downside risk, including me, may be wrong, but if we aren't then, [as Larry says](#):

So what happens if the first week of 2016 is more than a temporary wobble? More quantitative easing? Negative interest rates? Helicopter drops of money? Nobody really knows. As Sir Alex Ferguson once said: this is squeaky bum time.

Then there is Andrew Rawnsley, who I by no means always agree with, [who says](#):

This is going to be a political year like no other I can think of. There have been plenty of occasions in the past when one or other of the major parties has been at war with itself, but not both at the same time. It will be blue on blue over Europe. It will be Labour versus Labour over the deterrent.

I think Rawnsley is right in the likely reasons for schism in the Conservatives but less so in the case of Labour. If the nuclear deterrent is the supposed cause for a split in that party it would just be a metaphor: the schism is along neoliberal and heterodox economic lines in reality, hence the battle between John McDonnell and Progress, where I am quite sure John's language reflects his views and those defending Progress are neoliberal to their core, even if in Labour (or are what my friend Howard Reed calls LINO: Labour In Name Only). Nuclear weapons are a convenient battle over which to fight.

William Keenan then rightly points out that of all the 'cocktail of dangers' facing the UK economy by far the most dangerous is the austerity George Osborne will impose. [As he notes](#):

In a survey of more than 100 “economic thinkers”, the FT found that nearly half the respondents were concerned about the chancellor’s dependence on household consumption to fuel the recovery, with the resulting trade and current account deficit, but “one concern was notable by its absence”. The FT went on: “Just three respondents cited the fiscal deficit as a big worry.” Repeat: just three, even though it has been the overriding obsession of the chancellor, a largely supportive press and, I regret to say, many BBC interviewers.

And finally [*there is Will Hutton noting*](#) *the importance of the challenge in integrating millions of refugees into Europe and the perils of failing to do so that will be exploited by the Right:*

The extreme right has seized on events [over the New Year] as proof positive that Germany must stop accepting refugees immediately or otherwise face an “impending cultural and civilisational collapse”, as the populist Eurosceptic Alternative für Deutschland puts it.

It’s not a pretty prospect.

And in the immediate future it is the only one we have got.